amendment (Rept. No. 1383). Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. H. R. 5594. A bill to amend the Export-Import Bank Act of 1945, as amended (59 Stat. 526, 666; 61 Stat. 130), to vest in the Export-Import Bank of Washington the power to guarantee United States investments abroad; with an amendment (Rept. No. 1384). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 6316. A bill to amend the National Housing Act, as amended; without amendment (Rept. No. 1385). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CLEMENTE:

H. R. 6336. A bill to provide temporary amendment to the civil service retirement law due to emergency existing at the present time; to the Committee on Post Office and Civil Service.

By Mr. CUNNINGHAM:

H. R. 6337. A bill to amend the Railroad Retirement Act of 1937, as amended, so as to provide full annuities, at compensation of half salary or wages based on the five highest years of earnings, for individuals who have completed 30 years of service or have attained the age of 60; to the Committee on Interstate and Foreign Commerce.

By Mr. FLOOD:

H. R. 6338. A bill relating to education or training of veterans under title II of the Servicemen's Readjustment Act, as amended; to the Committee on Veterans' Affairs.

By Mr. McKINNON:

H. R. 6339. A bill to authorize a survey to determine the feasibility and advisability of constructing a multipurpose tunnel through the Laguna Mountains in San Diego County, Calif.; to the Committee on Public Works.

By Mr. O'SULLIVAN:

H. R. 6340. A bill authorizing the Secretary of Agriculture to sell and transfer for a nominal consideration to the University of Nebraska College of Agriculture, four aged mares now kept at the Fort Robinson Remount Station at Fort Robinson, Dawes County, Nebr., which mares the Government contemplates destroying soon; to the Committee on Agriculture.

By Mr. HARDIE SCOTT:

H. R. 6341. A bill relating to education or training of veterans under title II of the Servicemen's Readjustment Act, as amended; to the Committee on Veterans' Affairs.

H. R. 6342. A bill to amend the Social Security Act to provide unemployment benefits for individuals who have been employees of the United States, and for other purposes; to the Committee on Ways and Means.

By Mr. DOUGHTON:

H. R. 6343. A bill relating to customs duties on articles coming into the United States from the Virgin Islands; to the Committee on Ways and Means.

By Mr. SMATHERS:

H. R. 6347. A bill dividing the State of Florida into three judicial districts, defining the territory embraced in each, and fixing the time of holding terms of court therein; to the Committee on the Judiciary.

By Mr. LATHAM:

H. Con. Res. 138. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the General Assembly of the United Nations to immediately consider the resolution adopted by it on April 30, 1949, dealing with the question of the violation of human rights and fundamental freedoms in Hungary, Bulgaria, and Rumania; to the Committee on Foreign Affairs.

By Mr. CLEMENTE:

H. Con. Res. 139. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the General Assembly of the United Nations to immediately consider the resolution adopted by it on April 30, 1949, dealing with the question of the violation of human rights and fundamental freedoms in Hungary, Bulgaria, and Rumania; to the Committee on Foreign Affairs.

By Mr. QUINN:

H. Con. Res. 140. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the General Assembly of the United Nations to immediately consider the resolution adopted by it on April 30, 1949, dealing with the question of the violation of human rights and fundamental freedoms in Hungary, Bulgaria, and Rumania; to the Committee on Foreign Affairs.

By Mr. LATHAM:

H. Con. Res. 141. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the United Nations Committee on Human Rights to act promptly in procuring an explanation from the countries mentioned as to existing conditions; to the Committee on Foreign Affairs.

By Mr. CLEMENTE:

H. Con. Res. 142. Concurrent resolutions protesting against religious intolerance by certain countries in eastern Europe and calling upon the United Nations Committee on Human Rights to act promptly in procuring an explanation from the countries mentioned as to existing conditions; to the Committee on Foreign Affairs.

By Mr. QUINN:

H. Con. Res. 143. Concurrent resolution protesting against religious intolerance by certain countries in eastern Europe and calling upon the United Nations Committee on Human Rights to act promptly in procuring an explanation from the countries mentioned as to existing conditions; to the Committee on Foreign Affairs.

By Mr. BLACKNEY:

H. Res. 378. Resolution for the relief of Allie Louise Hall; to the Committee on House Administration.

By Mr. BUCHANAN:

H. Res. 379. Resolution authorizing the expenses of the investigation and study to be conducted by the Select Committee on Lobbying Activities; to the Committee on House Administration.

By Mrs. ROGERS of Massachusetts:

H. Res. 380. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 374; to the Committee on House Administration.

By Mr. CLEMENTE:

H. Res. 381. Resolution commending the services of Mrs. Mathilda Burling, founder and president of the Gold Star Mothers of World Wars, Inc.; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KING:

H. R. 6344. A bill for the relief of Mrs. William Y. Imanaka; to the Committee on the Judiciary.

By Mr. LIND:

H. R. 6345. A bill for the relief of Mrs. Raymond Schaffer, Jr., and Barbara Ann Schaffer; to the Committee on the Judiciary.

By Mr. PERKINS:

H. R. 6346. A bill for the relief of Anna Maria Dominijanni; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1526. By Mr. SMITH of Wisconsin: Petition of Polish American Labor Council, Inc., Chicago, Ill., urging the Congress to call a joint session to take cognizance of the result of Tehran, Yalta, and Potsdam agreements, instrumental in bringing Poland and her neighbors under the yoke of communism and creating so much fear and ever-increasing anxiety throughout the world of yet another war; and to submit a concrete plan to the UNO for the purpose of forcing Russia back to her prewar boundaries, thereby liberating all nations suffering under the Russian yoke; and to withdraw recognition of the Warsaw puppet government, a government actually antagonistic to the best interests of Poland and an enemy of the United States and all other freedom-loving nations; to the Committee on Foreign Affairs.

SENATE

FRIDAY, OCTOBER 7, 1949

(Legislative day of Saturday, September 3, 1949)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O God our Father, as we rejoice in the gift of another day, may its hours be made luminous by Thy presence, who art the light of all our seeing. In everything we are called to face may we do and be our best and so be worthy of our high calling.

Deliver us from all malice and contempt lest we hurt others and sour our own souls. May the lure of expediency never bend our conscience to low ends which betray high principles. Hear Thou our prayer as out of the depths we cry, asking for wisdom and strength as we bow at the altar stairs which slope through darkness up to Thee. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. WHERRY, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, October 6, 1949, was dispensed with.

LEAVE OF ABSENCE

On request of Mr. LUCAS, and by unanimous consent, Mr. SPARKMAN, Mr. FREAR, Mr. BRICKER, and Mr. FLANDERS were granted leave of absence for the remainder of the session.

CALL OF THE ROLL

Mr. WHERRY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Chapman	Ecton
Anderson	Chavez	Ferguson
Baldwin	Connally	Fulbright
Bridges	Cordon	George
Butler	Donnell	Graham
Byrd	Douglas	Green
Cain	Downey	Gurney
Capehart	Eastland	Hayden

Hendrickson	Long	O'Mahoney
Hickenlooper	Lucas	Pepper
Hill	McCarthy	Robertson
Hoey	McClellan	Russell
Holland	McFarland	Saltonstall
Humphrey	McKellar	Schoeppel
Hunt	McMahon	Smith, Maine
Ives	Magnuson	Stennis
Johnson, Colo.	Malone	Taylor
Johnson, Tex.	Martin	Thomas, Okla.
Johnston, S. C.	Maybank	Thomas, Utah
Kefauver	Miller	Thye
Kem	Millikin	Watkins
Kerr	Morse	Wherry
Kilgore	Mundt	Wiley
Knowland	Murray	Williams
Langer	Myers	Young
Leahy	Neely	
Lodge	O'Conor	

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent because of a death in his family.

The Senator from Iowa [Mr. GILLETTE] is absent because of illness.

The Senator from Delaware [Mr. FREAR], the Senator from Alabama [Mr. SPARKMAN], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Kentucky [Mr. WITHERS] is absent on public business.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Indiana [Mr. JENNER] is absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate.

The Senator from Ohio [Mr. TAFT] and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. LUCAS, and by unanimous consent, the Committee on the Judiciary and the Committee on Interior and Insular Affairs were authorized to sit during the session of the Senate today.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 627. An act for the relief of Leon Moore;

S. 2116. An act to provide for the advance planning of non-Federal public works;

H. R. 195. An act to assist States in collecting sales and use taxes on cigarettes;

H. R. 3191. An act to amend the act approved September 7, 1916 (ch. 458, 39 Stat. 742), entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, by extending coverage to civilian officers of the United States and by making benefits more realistic in terms of present wage rates, and for other purposes;

H. R. 3734. An act making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1950, and for other purposes;

H. R. 4708. An act to amend the United Nations Participation Act of 1945; and

H. R. 5300. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1950, and for other purposes.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

S. Res. 172. Resolution expressing the sense of the Senate as favoring the development of a special aircraft for agricultural purposes and related equipment to be undertaken by the Civil Aeronautics Administration and the Department of Agriculture; without amendment (Rept. No. 1135).

By Mr. MCCLELLAN, from the Committee on Expenditures in the Executive Departments:

H. J. Res. 340. Joint resolution to clarify the status of the Architect of the Capitol under the Federal Property and Administrative Services Act of 1949; without amendment (Rept. No. 1136).

By Mr. HUNT, from the Committee on the District of Columbia:

S. 2205. A bill to authorize the Commissioners of the District of Columbia to enter into contract for the removal of sludge; with amendments (Rept. No. 1137);

S. 2365. A bill to provide for placing under the Classification Act of 1923, as amended, certain positions in the municipal government of the District of Columbia; without amendment (Rept. No. 1138);

H. R. 4059. A bill to clarify exemption from taxation of certain property of the National Society of the Sons of the American Revolution; without amendment (Rept. No. 1139);

H. J. Res. 302. Joint resolution to amend the act of June 30, 1949, which increased the compensation of certain employees of the District of Columbia, so as to clarify the provisions relating to retired policemen and firemen; without amendment (Rept. No. 1140); and

H. J. Res. 337. Joint resolution extending the time for payment of the sums authorized for the relief of the owners of certain properties abutting Eastern Avenue in the District of Columbia; without amendment (Rept. No. 1141).

By Mr. PEPPER, from the Committee on Foreign Relations:

S. J. Res. 128. Joint resolution to authorize the President to lend to the Food and Agriculture Organization of the United Nations funds for the construction and furnishing of a permanent headquarters, and for related purposes; with amendments (Rept. No. 1142).

By Mr. CHAVEZ, from the Committee on Public Works:

H. R. 5472. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; with amendments (Rept. No. 1143).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, October 7, 1949, he presented to the President of the United States the following enrolled bills:

S. 627. An act for the relief of Leon Moore; and

S. 2116. An act to provide for the advance planning of non-Federal public works.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting the nomination of James Bruce, of Maryland, to be Director of Foreign Military Assistance, which was referred to the Committee on Foreign Relations.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

S. 2648. A bill for the relief of Carlo Fava; to the Committee on the Judiciary.

By Mr. BALDWIN:

S. 2649. A bill to make awards of death compensation and death pension payable by the Veterans' Administration effective as of the date of death of the veteran; to the Committee on Finance.

By Mr. BUTLER (for himself and Mr. BYRD):

S. 2650. A bill to reduce the amount of obligations, issued under the Second Liberty Bond Act, which may be outstanding at any one time; to the Committee on Finance.

(Mr. HUMPHREY introduced Senate bill 2651, for refund of customs duties to the Preparatory Commission for the International Refugee Organization, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. MYERS:

S. 2652. A bill for the relief of Paul L. Barrett; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 2653. A bill to increase certain pension rates under laws administered by the Veterans' Administration; to the Committee on Finance.

By Mr. PEPPER:

S. 2654. A bill to exempt Government insurance dividends from taxation and the claims of creditors; to the Committee on Finance.

REFUND OF CUSTOMS DUTIES TO PREPARATORY COMMISSION FOR INTERNATIONAL REFUGEE ORGANIZATION

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill providing for refund of customs duties to the Preparatory Commission for the International Refugee Organization, and I ask unanimous consent that an explanatory statement by me of the bill may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the explanatory statement will be printed in the RECORD.

The bill (S. 2651) for refund of customs duties to the Preparatory Commission for the International Refugee Organization, introduced by Mr. HUMPHREY, was read twice by its title and referred to the Committee on the Judiciary.

The explanatory statement presented by Mr. HUMPHREY is as follows:

STATEMENT BY SENATOR HUMPHREY WITH INTRODUCTION OF BILL FOR THE INTERNATIONAL REFUGEE ORGANIZATION

The bill will restore to the International Refugee Organization $120,000 paid by that international organization to the United States as customs duties on property brought into this country in accordance with an international agreement which this country signed, to provide funds for the rehabilitation and resettlement of Nazi victims.

On January 14, 1946, article 8 of part I of the Final Act of the Paris Conference on Reparations became effective. It recognized the fact that large numbers of persons suffered heavily at the hands of the Nazis and stood in dire need of aid to promote their rehabilitation and resettlement. As a result a share of German reparations consisting of all the nonmonetary gold found in Germany by the Allied armed forces was allocated for the rehabilitation and resettlement of these nonrepatriable victims of totalitarianism. The appropriate agency of the United Nations was designated to administer this portion of the reparations.

Under the terms of this agreement, the Governments of the United States, France, the United Kingdom, Czechoslovakia, and Yugoslavia were directed to work out a plan for the administration of the property. Accordingly, on June 14, 1946, title to this nonmonetary gold passed to the United Nations and this body was directed to take the necessary steps to liquidate it as soon as possible, due consideration being given to securing the highest possible realizable value so that the rehabilitation and resettlement of refugees could be facilitated.

The nonmonetary gold in question consisted of personal property such as jewelry, rugs, unmounted precious and semiprecious stones, silver watches, family glassware, cameras, and the like, which had been seized by the Nazis from their victims, most of whom perished in concentration camps. All of this property was unidentifiable either to previous ownership or national origin. The United States Army had been charged with the gathering and custody of this property, and made every effort to identify the lawful owners of that property. But where this could not be done the property was turned over to the International Refugee Organization.

In accordance with the terms of this agreement the International Refugee Organization brought to the United States for liquidation portions of this nonmonetary gold which could not be disposed of advantageously elsewhere. A committee of outstanding businessmen and public servants served without compensation and advised and supervised the sale of the property in the United States in a manner which would not adversely affect the economy of this country, and at the same time would provide the maximum funds for the relief of refugees.

This property has been disposed of in the past year and a half. Since it was sold through commercial channels, principally by public auction sales, the custom laws of the United States required the payment of custom duties based upon the appraisal of the customs officials totaling $120,000.

The United States Government played a leading role in the Paris Conference on Reparations in 1945 and at the Five Power Conference in June of 1946 in assisting these victims of the war who had no government representing them receiving reparations from Germany. The United States Government played a leading role in all of the negotiations and decisions which were made. It is clear that it is was not the intent of the United States to profit from this transaction, for to do so would detract from the rehabilitation and resettlement of deserving victims of totalitarian persecution.

The bill is a companion to H. R. 5863 introduced in the House by Congressman CELLER, is designed to restore to the International Refugee Organization the funds intended for its use.

The text of the bill is as follows:

"Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Preparatory Commission for the International Refugee Organization the sum of $120,000, paid by the Preparatory Commission for the International Refugee Organization to the United States as duties on property brought into the United States for sale to provide funds for the rehabilitation and resettlement of victims of German action pursuant to the agreement entered into on June 14, 1946, by the Government of the United States with the Governments of the United Kingdom, France, Czechoslovakia, and Yugoslavia."

AMENDMENT OF EXPORT-IMPORT BANK ACT RELATING TO INVESTMENTS ABROAD

Mr. SALTONSTALL submitted an amendment in the nature of a substitute intended to be proposed by him to the bill (S. 2197) to amend the Export-Import Bank Act of 1945, as amended (59 Stat. 526, 666; 61 Stat. 130), to vest in the Export-Import Bank of Washington the power to guarantee United States investments abroad, which was ordered to lie on the table and to be printed.

AMENDMENT OF DISPLACED PERSONS ACT—AMENDMENTS

Mr. HUMPHREY submitted amendments intended to be proposed by him to the bill (H. R. 4567) to amend the Displaced Persons Act of 1948, which were referred to the Committee on the Judiciary and ordered to be printed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—AMENDMENTS

Mr. AIKEN (for Mr. TAFT) submitted an amendment intended to be proposed by Mr. TAFT to the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, which was ordered to lie on the table and to be printed.

Mr. FULBRIGHT submitted amendments intended to be proposed by him to House bill 5345, supra, which were ordered to lie on the table and to be printed.

Mr. HUNT submitted an amendment, Mr. BUTLER submitted an amendment, and Mr. WILLIAMS submitted amendments intended to be proposed by them, respectively, to House bill 5345, supra, which were ordered to lie on the table and to be printed.

Mr. MALONE submitted an amendment intended to be proposed by him to the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

At the end of the bill add the following new section:

"Section 22 of the Agricultural Adjustment Act, as added by section 31 of the act of August 24, 1935 (49 Stat. 773), and reenacted by section 3 of the Agricultural Act of 1948 (Public Law 879, 80th Cong.) is hereby amended to read as follows:

" 'SEC. 22. (a) Whenever the average wholesale price of any farm commodity or product thereof is less than the parity price of such commodity or product, there shall be levied, assessed, collected, and paid, on such commodity or product when imported from any foreign country into the United States or into any of its Territories or possessions, an import tax or fee equal to the difference between the landed cost of such imported commodity or product and the parity price thereof.

" 'The term "average wholesale price" for the purpose of this section shall, as of any date, mean the average wholesale price used by the Bureau of Labor in computing the wholesale price commodity index (1926=100) current on such date.

" 'The term parity price, in the case of a farm commodity, shall mean the parity price as determined under the Agricultural Adjustment Act of 1938, as amended, and, in the case of a product of such a commodity, a price which reflects the parity price of the commodity.' "

Mr. THOMAS of Oklahoma submitted an amendment intended to be proposed by him to House bill 5345, supra, which was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

On page 26, at the end of the line 5, strike out the period, insert a semicolon, and the following: *"Provided,* That the Secretary of Agriculture is authorized within his discretion to make available, under rules and regulations to be made and announced, any of such surplus commodities to the Cooperative for American Remittances to Europe, Inc. (CARE), for relief in Europe and Asia; *And provided further,* That upon application of the Munitions Board or any other Federal agency for any part of the accumulated supplies on hand at any time for use in making payment for commodities not produced in the United States, the Secretary of Agriculture may approve such application or applications and thereafter make such commodities available on such terms, rules, and regulations as may be deemed in the public interest."

ANTIMONOPOLY LEGISLATION—STATEMENT BY SENATOR KILGORE

[Mr. NEELY asked and obtained leave to have printed in the RECORD a statement by Senator KILGORE regarding the need for additional antimonopoly legislation, which appears in the Appendix.]

PURCHASE OF CANADIAN WHEAT BY GREAT BRITAIN WITH ECA MONEY—LETTER FROM SENATOR BUTLER TO ADMINISTRATOR HOFFMAN

[Mr. BUTLER asked and obtained leave to have printed in the RECORD a letter written by him, dated September 30, 1949, to Paul Hoffman, Administrator of the ECA, on the subject of the purchase of Canadian wheat by Great Britain with ECA money, which appears in the Appendix.]

LEIF ERIKSON—TRIBUTE BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him in tribute to Leif Erikson and the Viking spirit, which appears in the Appendix.]

MARY T. SCHIEK—STATEMENT BY SENATOR McCARTHY AND EDITORIAL COMMENT

[Mr. McCARTHY asked and obtained leave to have printed in the RECORD a statement by him regarding the case of Mary T. Schiek, together with an editorial from the Wheeling (W. Va.) Intelligencer, and a letter from Senator McCARTHY to the editor of the Intelligencer, which appear in the Appendix.]

A SOUND BALANCED ECONOMY—ADDRESS BY WALTER HARNISCHFEGER

[Mr. McCARTHY asked and obtained leave to have printed in the RECORD an address on a program to establish a sound balanced economy in this country, delivered by Walter Harnischfeger, before the Council of State Chambers of Commerce, Columbus, Ohio, September 9, 1949, which appears in the Appendix.]

NOMINATION OF LELAND OLDS—ARTICLE BY MARQUIS CHILDS

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an article entitled "Mr. Olds' Views," by Marquis Childs, published in the Washington Post for October 7, 1949, which appears in the Appendix.]

NOMINATION OF LELAND OLDS—EDITORIAL FROM THE EL PASO HERALD-POST

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an editorial entitled "FPC Appointment," published in the El Paso Herald-Post for October 4, 1949, which appears in the Appendix.]

THE FORGOTTEN WORD—ARTICLE BY HENRY B. BRYANS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an article entitled "The Forgotten Word," written by Henry B. Bryans, and published in the Union League Bulletin of Philadelphia, Pa., for October 1949, which appears in the Appendix.]

HIS PENNSYLVANIA RIFLE MADE BOONE PRIZE SHOT—ARTICLE BY CAPT. JOHN M. CUMMINGS

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an article entitled "His Pennsylvania Rifle Made Boone Prize Shot," written by Capt. John M. Cummings, and published in the Philadelphia Inquirer of Friday, October 7, 1949, which appears in the Appendix.]

THE ROMAN ROAD TO RUIN—ADDRESS BY GEORGE E. STRINGFELLOW

[Mr. KEM asked and obtained leave to have printed in the RECORD an address entitled "The Roman Road to Ruin," delivered by Mr. George E. Stringfellow, of West Orange, N. J., before the Kiwanis Club of Washington, D. C., on October 6, 1949, which appears in the Appendix.]

USE OF ECA FUNDS FOR CANADIAN WHEAT—ARTICLE BY HENRY S. FRENCH

[Mr. KEM asked and obtained leave to have printed in the RECORD an article entitled "Fumble by United States Department of Agriculture," written by Henry S. French, and published in the Kansas City Star of October 5, 1949, which appears in the Appendix.]

LETTER FROM MAYOR D'ALESANDRO TO PAUL ROBESON

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a letter dated September 27, 1949, addressed by Mayor Thomas D'Alesandro, Jr., of Baltimore, to Paul Robeson, which appears in the Appendix.]

A DEFENSE OF LELAND OLDS

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Lobby Target" from the Washington Post of September 29, 1949, which appears in the Appendix.]

LOYAL EMPLOYEES

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Loyal Employees," from the Washington Post of October 1, 1949, which appears in the Appendix.]

FORCE AND VIOLENCE

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Force and Violence" from the Washington Post of October 1, 1949, which appears in the Appendix.]

DISPLACED PERSONS

[Mr. HUMPHREY asked and obtained leave to have printed in the RECORD an editorial entitled "Displaced Persons," from the Washington Post of October 1, 1949, which appears in the Appendix.]

RECORD OF THE COMMITTEE ON PUBLIC WORKS

Mr. CHAVEZ. Mr. President, I submit for the information of the Senate a brief résumé of the bills considered and reported by the Senate Committee on Public Works during this session of the Eighty-first Congress.

Particularly I want to invite the attention of the Senators to the fact that not a few of the bills are of major scope and particular importance to the Senators and to the States. While the committee has not authorized any giant public-works program for construction, nevertheless the committee has given considerable effort toward advancing of planning of public works needed in the States. Among these are:

First. Senate bill 714. This bill authorizes for advance planning and site acquisition of about 525 post offices and Federal office buildings, at least one in each congressional district. There are about 4,000 eligible cities.

Second. Senate bill 855. This bill authorizes a program of public works in Alaska, which is an important defense area. It will be on a cost-sharing basis with the territorial government or its political subdivisions and cost about $70,000,000.

Third. Senate bill 2116. This bill authorizes $100,000,000 to be allocated proportionately among the States for advance planning of public-works projects in the States. This money is loans only and must be repaid by the non-Federal Government agency which uses the program.

Fourth. Then, of course, there is the omnibus river and harbor and flood-control bill which will be reported within a few hours. I am happy to say that the Senate version of the bill amounts to $1,500,000,000, which is the smallest omnibus bill for such purposes in recent years at least. But it is a good one, and will carry 151 projects to completion or through 3 years.

I should like the Senate to know that the members of the Committee on Public Works have been diligent and considerate. I am really proud of the committee members who have served the Senate so well in this session.

I ask unanimous consent that the résumé be printed at this point in the RECORD.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

Bill number	Title and purpose	Date approved (or comment)	Public Law No.
S. 713	To authorize an increase in the limit of cost of the General Accounting Office from $22,850,000 to $25,400,000.	Feb. 25, 1949	10
S. 714	To authorize comprehensive planning, site acquisition, and major repair to Federal buildings and transferring jurisdiction over certain lands. For major repairs, $30,000,000; for advancing planning and site acquisition, $40,000,000.	June 16, 1949	105
S. 755	To extend the time for commencing and completing the construction of a bridge across the Ohio River in Illinois.	Aug. 10, 1949	217
S. 855	To authorize a program of public works in Alaska on a cost-sharing basis with the Territorial government or its political subdivisions. Estimated cost, $70,000,000.	Aug. 24, 1949	264
S. 1432	To provide for a Commission on Renovation of the Executive Mansion	Apr. 14, 1949	40
S. 1577	To authorize reenactment of the act creating the City of Clinton Bridge Commission for purposes of a bridge over the Mississippi between Clinton, Iowa, and Fulton, Ill.	Aug. 10, 1949	220
S. 2002	To provide for a method of financing the acquisition and construction by the city of Duluth of certain bridges across the St. Louis River.	Reported to Senate Sept. 29; pending on Calendar	
H. R. 1154	To authorize $800,000 for construction of extension and improvement of post-office facilities at Los Angeles.	Aug. 17, 1949	238
H. R. 2214	To provide for the development, administration, and maintenance of the Suitland Parkway in Maryland as an extension of the District of Columbia park system.	do	242
S. 2116	To authorize advance planning of public works in the States by non-Federal agencies; authorizes $100,000,000 in loans over 2-year period for costs of surveys and plans preliminary to construction.	Passed Senate and House and awaits Presidential approval.	
H. R. 5356	To authorize conveyance of land in Stoughton, Mass., to the Norfolk County Trust Co.	Awaits approval	
H. R. 3071	To authorize the Secretary of the Army to buy property along the Muskingum River in Morgan County, Ohio, for navigation purposes. Cost of $25,000.	Sept. 7, 1949	287
H. R. 3197	To authorize the sale of a marine hospital at Louisville, Ky., which is surplus, to the city of Louisville.	Sept. 8, 1949	304
H. R. 3478	To extend the time for completing construction of a bridge across the Mississippi near St. Louis, Mo.	Sept 7, 1949	289
S. 2374	To provide for an extension of 1 year from June 30, 1950, for completion of certain construction programs authorized in the Philippine Rehabilitation Act of 1946. Estimated that 15 percent of work remains to be done under program.	do	295
S. J. Res. 129	To authorize the Commission on Renovation of the Executive Mansion to preserve or dispose of material removed from the Mansion in renovation.	Pending on Senate Calendar	
H. R. 5472	Omnibus River and Harbor and Flood Control Act. Estimated cost in Senate bill, $1,564,814,000.	Authorized to be reported from Senate Committee on Public Works Sept. 7, 1949.	
S. 384	To authorize conveyance to the Temple Methodist Church of San Francisco a portion of a federally owned building if vacated by the Government within 10 years.	Pending in Senate	
H. R. 2660	To prohibit parking on property used for postal purposes	do	

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The VICE PRESIDENT. Under the unanimous-consent agreement of yesterday, the agricultural bill is automatically before the Senate. The Chair would like to ask whether it is desired to take up the Senate bill or the House bill, because the unanimous-consent agreement applied to both.

Mr. LUCAS. I ask that the House bill be considered.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with an amendment to strike out all after the enacting clause and insert:

That this act may be cited as the "Agricultural Act of 1949."

TITLE I—BASIC AGRICULTURAL COMMODITIES

SEC. 101. The Secretary of Agriculture (hereinafter called the "Secretary" is authorized and directed to make available through loans, purchases, or other operations, price support to cooperators for any crop of any basic agricultural commodity, if producers have not disapproved marketing quotas for such crop, at a level not in excess of 90 percent of the parity price of the commodity nor less than the level provided in subsections (a), (b), and (c) as follows:

(a) For tobacco (except as otherwise provided herein), corn, wheat, and rice, if the supply percentage as of the beginning of the marketing year is:	*The level of support shall be not less than the following percentage of the parity price*
Not more than 102	90
More than 102 but not more than 104	89
More than 104 but not more than 106	88
More than 106 but not more than 108	87
More than 108 but not more than 110	86
More than 110 but not more than 112	85
More than 112 but not more than 114	84
More than 114 but not more than 116	83
More than 116 but not more than 118	82
More than 118 but not more than 120	81
More than 120 but not more than 122	80
More than 122 but not more than 124	79
More than 124 but not more than 126	78
More than 126 but not more than 128	77
More than 128 but not more than 130	76
More than 130	75
(b) For cotton and peanuts, if the supply percentage as of the beginning of the marketing year is:	
Not more than 108	90
More than 108 but not more than 110	89
More than 110 but not more than 112	88
More than 112 but not more than 114	87
More than 114 but not more than 116	86
More than 116 but not more than 118	85
More than 118 but not more than 120	84
More than 120 but not more than 122	83
More than 122 but not more than 124	82
More than 127 but not more than 128	78
More than 125 but not more than 126	80
More than 126 but not more than 127	79
More than 124 but not more than 125	81
More than 128 but not more than 129	77
More than 129 but not more than 130	76
More than 130	75

(c) For tobacco, if marketing quotas are in effect, the level of support shall be 90 percent of the parity price.

(d) Notwithstanding the foregoing provisions of this section—

(1) the level of support to cooperators shall be 90 percent of the parity price for a crop of any basic agricultural commodity for which marketing quotas or acreage allotments are in effect immediately following a crop for which neither marketing quotas nor acreage allotments were in effect;

(2) the level of price support to cooperators for any crop of a basic agricultural commodity, except tobacco, for which marketing quotas have been disapproved by producers shall be 50 percent of the parity price of such commodity; and no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers;

(3) the level of price support for corn to cooperators outside the commercial corn-producing area shall be 75 percent of the level of price support to cooperators in the commercial corn-producing area;

(4) price support may be made available to noncooperators at such levels, not in excess of the level of price support to cooperators, as the Secretary determines will facilitate the effective operation of the program.

TITLE II—DESIGNATED NONBASIC AGRICULTURAL COMMODITIES

SEC. 201. The Secretary is authorized and directed to make available (without regard to the provisions of title III) price support to producers for wool, tung nuts, honey, Irish potatoes, milk, and butterfat as follows:

(a) The price of wool shall be supported through loans, purchases, or other operations at such level, not in excess of 90 percent nor less than 60 percent of the parity price therefor, as the Secretary determines necessary in order to encourage an annual production of approximately 360,000,000 pounds of shorn wool;

(b) The price of tung nuts, honey, and early, intermediate, and late Irish potatoes, respectively, shall be supported through loans, purchases, or other operations at a level not in excess of 90 percent nor less than 60 percent of the parity price therefor;

(c) The price of whole milk and butterfat, respectively, shall be supported at such level not in excess of 90 percent nor less than 75 percent of the parity price therefor as the Secretary determines necessary in order to assure an adequate supply. Such price support shall be provided through loans on, or purchases of, the products of such commodities.

TITLE III—OTHER NONBASIC AGRICULTURAL COMMODITIES

SEC. 301. The Secretary is authorized to make available through loans, purchases, or other operations price support to producers for any nonbasic agricultural commodity not designated in title II at a level not in excess of 90 percent of the parity price for the commodity.

SEC. 302. Without restricting price support to those commodities for which a marketing quota or marketing agreement or order program is in effect, price support shall, insofar as feasible, be made available to producers of any storable nonbasic agricultural commodity for which such a program is in effect and who are complying with such program. The level of such support shall not be in excess of 90 percent of the parity price of such commodity nor less than the level provided in the following table:

If the supply percentage as of the beginning of the marketing year is:	*The level of support shall be not less than the following percentage of the parity price*
Not more than 102	90
More than 102 but not more than 104	89
More than 104 but not more than 106	88
More than 106 but not more than 108	87
More than 108 but not more than 110	86
More than 110 but not more than 112	85
More than 112 but not more than 114	84
More than 114 but not more than 116	83
More than 116 but not more than 118	82
More than 118 but not more than 120	81
More than 120 but not more than 122	80
More than 122 but not more than 124	79
More than 124 but not more than 126	78
More than 126 but not more than 128	77
More than 128 but not more than 130	76
More than 130	75

Provided, That the level of price support may be less than the minimum level provided in the foregoing table if the Secretary, after examination of the availability of funds for mandatory price-support programs and consideration of the other factors specified in section 401 (b), determines that such lower level is desirable and proper.

SEC. 303. Should a price-support operation be undertaken with respect to any poultry, those chickens known as broilers shall also be supported (1) at a percentage of the parity price for broilers which is not less than the percentage of parity at which the price of such other poultry is supported, and (2) in a manner which is not less favorable to broiler producers than that in which the price of such other poultry is supported.

SEC. 304. In determining the level of price support for any nonbasic agricultural commodity under this title, particular consideration shall be given to the levels at which the prices of competing agricultural commodities are being supported.

TITLE IV—MISCELLANEOUS

SEC. 401. (a) The Secretary shall provide the price support authorized or required herein through the Commodity Credit Corporation and other means available to him.

(b) Except as otherwise provided in this act, the amounts, terms, and conditions of price-support operations and the extent to which such operations are carried out, shall be determined or approved by the Secretary. The following factors shall be taken into consideration in determining, in the case of any commodity for which price support is discretionary, whether a price-support operation shall be undertaken and the level of such support and, in the case of any commodity for which price support is mandatory, the level of support in excess of the minimum level prescribed for such commodity: (1) the supply of the commodity in relation to the demand therefor, (2) the price levels at which other commodities are being supported and, in the case of feed grains, the feed values of such grains in relation to corn, (3) the availability of funds, (4) the perishability of the commodity, (5) the importance of the commodity to agriculture and the national economy, (6) the ability to dispose of stocks acquired through a price-support operation, (7) the need for offsetting temporary losses of export markets, and (8) the ability and willingness of producers to keep supplies in line with demand.

(c) Compliance by the producer with acreage allotments, production goals, and marketing practices (including marketing quotas when authorized by law), prescribed by the Secretary, may be required as a condition of eligibility for price support.

(d) The level of price support for any commodity shall be determined upon the basis of its parity price as of the beginning of the marketing year or season in the case of any

commodity marketed on a marketing year or season basis and as of January 1 in the case of any other commodity.

SEC. 402. Notwithstanding any other provision of this act, price support at a level in excess of the maximum level of price support otherwise prescribed in this act may be made available for any agricultural commodity if the Secretary determines, after a public hearing of which reasonable notice has been given, that price support at such increased level is necessary in order to prevent or alleviate a shortage in the supply of any agricultural commodity essential to the national welfare or in order to increase or maintain the production of any agricultural commodity in the interest of national security. The Secretary's determination and the record of the hearing shall be available to the public.

SEC. 403. Appropriate adjustments may be made in the support price for any commodity for differences in grade, type, staple, quality, location, and other factors. Such adjustments shall, so far as practicable, be made in such manner that the average support price for such commodity will, on the basis of the anticipated incidence of such factors, be equal to the level of support determined as provided in this act. Middling seven-eighths inch cotton shall be the standard grade for purposes of parity and price support.

SEC. 404. The Secretary, in carrying out programs under section 32 of Public Law No. 320, Seventy-fourth Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act, may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract), and make advance payments to it.

SEC. 405. No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan made under authority of this act unless such loan was obtained through fraudulent representations by the producer. This provision shall not, however, be construed to prevent the Commodity Credit Corporation or the Secretary from requiring producers to assume liability for deficiencies in the grade, quality, or quantity of commodities stored on the farm or delivered by them, for failure properly to care for and preserve commodities, or for failure or refusal to deliver commodities in accordance with the requirements of the program.

SEC. 406. Nothing in this act shall prevent the announcement of the level of price support for any agricultural commodity in advance of the beginning of the marketing year or season—January 1 in the case of commodities not marketed on a marketing year or season basis—if the level of price support so announced does not exceed the estimated maximum level of price support specified in this act, based upon the latest information and statistics available to the Secretary when such level of price support is announced; and the level of price support so announced shall not be reduced if the maximum level of price support when determined, is less than the level so announced.

SEC. 407. The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. It shall not sell any such commodity at less than the current support price for such commodity plus all costs and expenses to the Corporation, including interest, storage, insurance, and transportation charges, as determined and approved by the Secretary of Agriculture, except that this restriction shall not apply to (A) sales for new or byproduct uses; (B) sales of peanuts and oilseeds for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or as to which there is danger of loss or waste through deterioration or spoilage; (E) sales for the purpose of establishing claims arising out of contract or against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool and mohair; and (H) sales for other than primary uses.

SEC. 408. For the purposes of this act—

(a) A commodity shall be considered storable upon determination by the Secretary that, in normal trade practice, it is stored for substantial periods of time and that it can be stored under the price-support program without excessive loss through deterioration or spoilage or without excessive cost for storage for such periods as will permit its disposition without substantial impairment of the effectiveness of the price-support program.

(b) A "cooperator" with respect to any basic agricultural commodity shall be a producer on whose farm the acreage planted to the commodity does not exceed the farm acreage allotment for the commodity under title III of the Agricultural Adjustment Act of 1938, as amended, or in the case of price support for corn to a producer outside the commercial corn-producing area, a producer who complies with conditions of eligibility prescribed by the Secretary. For the purpose of this subsection, a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded such allotment.

(c) A "basic agricultural commodity" shall mean corn, cotton, peanuts, rice, tobacco, and wheat, respectively.

(d) A "nonbasic agricultural commodity" shall mean any agricultural commodity other than a basic agricultural commodity.

(e) The "supply percentage" as to any commodity shall be the percentage which the estimated total supply is of the normal supply as determined by the Secretary from the latest available statistics of the Department of Agriculture as of the beginning of the marketing year for the commodity.

(f) "Total supply" of any nonbasic agricultural commodity for any marketing year shall be the carry-over at the beginning of such marketing year, plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins and the estimated imports of the commodity into the United States during such marketing year.

(g) "Carry-over" of any nonbasic agricultural commodity for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, not including any part of the crop or production of such commodity which was produced in the United States during the calendar year then current. The carry-over of any such commodity may also include the quantity of such commodity in processed form on hand in the United States at the beginning of such marketing year, if the Secretary determines that the inclusion of such processed quantity of the commodity is necessary to effectuate the purposes of this act.

(h) "Normal supply" of any nonbasic agricultural commodity for any marketing year shall be (1) the estimated domestic consumption of the commodity for the marketing year for which such normal supply is being determined, plus (2) the estimated exports of the commodity for such marketing year, plus (3) an allowance for carry-over. The allowance for carry-over shall be the average carry-over of the commodity for the five marketing years immediately preceding the marketing year in which such normal supply is determined, adjusted for surpluses or deficiencies caused by abnormal conditions, changes in marketing conditions, or the operation of any agricultural program. In determining normal supply, the Secretary shall make such adjustments for current trends in consumption and for unusual conditions as he may deem necessary, and shall exclude any abnormal consumption or exports resulting from export or diversion operations of the Department of Agriculture or any of its agencies (other than operations pursuant to an international agreement ratified by the Senate) which result in losses to such Department or agencies.

(i) "Marketing year" for any nonbasic agricultural commodity means any period determined by the Secretary during which substantially all of a crop or production of such commodity is normally marketed by the producers thereof.

(j) Any term defined in the Agricultural Adjustment Act of 1938, shall have the same meaning when used in this act.

SEC. 409. (a) Section 301 (a) (1) (B) of the Agricultural Adjustment Act of 1938, as amended by the Agricultural Act of 1948 (defining "adjusted base price"), is amended by adding at the end thereof the following: "As used in this subparagraph, the term 'prices' shall include wartime subsidy payments made to producers under programs designed to maintain maximum prices established under the Emergency Price Control Act of 1942."

(b) Section 301 (a) (1) (C) of such act, as so amended (defining "parity index," is amended (1) by inserting after the word "buy" a comma and the following: "wages paid hired farm labor," and (2) by inserting after "such prices" a comma and the word "wages."

(c) Section 301 (b) (10) (A) of such act, as so amended (defining "normal supply"), is amended (1) by striking out "7 percent in the case of corn" and inserting in lieu thereof "15 percent in the case of corn," and (2) by inserting before the period at the end of the last sentence thereof a comma and the following: "and shall exclude any abnormal consumption or exports resulting from export or diversion operations of the Department of Agriculture or any of its agencies (other than operations pursuant to an international agreement ratified by the Senate) which result in losses to such Department or agencies."

(d) Section 322 (a) of such act, as so amended (relating to corn-marketing quotas), is amended (1) by striking out "20 percent" and inserting in lieu thereof "10 percent," and (2) by adding at the end thereof the following: "With respect to the 1950 crop of corn the determination and proclamation required by this section may be made, notwithstanding the foregoing, at any time prior to February 1, 1950, using 1949 as 'such calendar year' for the purposes of (1) and (2) of the preceding sentence."

(e) Section 328 of such act, as so amended (relating to corn acreage allotments), is amended by striking out "reserve supply level" and inserting in lieu thereof "normal supply."

SEC. 410. Section 4 of the act of March 8, 1938, as amended (15 U. S. C., 1946 ed., 713a–4), is amended by substituting a colon for the period at the end of the next to the last sentence thereof and adding the following: *"Provided,* That this sentence shall not limit the authority of the Corporation to issue obligations for the purpose of carrying out its annual budget programs submitted to and approved by the Congress pursuant to the Government Corporation Control Act (31 U. S. C., 1946 ed., sec. 841)."

SEC. 411. Section 32, as amended, of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (U. S. C., title 7, sec. 612c), is amended by inserting before the last sentence thereof the following: "The sums appropriated under this section shall be devoted principally to perishable nonbasic agricultural commodities (other than those designated in title II of the Agricultural Act of 1949) and their products."

SEC. 412. The President shall appoint, by and with the advice and consent of the Senate, one additional Assistant Secretary of

Agriculture. It shall be the duty of such Assistant Secretary, subject to the supervision and direction of the Secretary, to plan and carry out, through the appropriate agencies of the Department of Agriculture and in cooperation with private business, programs for developing new uses and market outlets, encouraging domestic sales and improved merchandising through regular trade channels, encouraging exports and international trade and exchanges, expanding consumption and use, and diverting and otherwise disposing of agricultural commodities and products. Such Assistant Secretary shall, ex officio, be one of the directors of the Commodity Credit Corporation provided for by law. Such Assistant Secretary shall be compensated at the same rate as the other Assistant Secretary of the Department of Agriculture, and shall perform such additional functions as the Secretary may assign.

SEC. 413. Determinations made by the Secretary under this act shall be final and conclusive: *Provided,* That the scope and nature of such determinations shall not be inconsistent with the provisions of the Commodity Credit Corporation Charter Act.

SEC. 414. This act shall not be effective with respect to price-support operations for any agricultural commodity for any marketing year or season commencing prior to January 1, 1950, except to the extent that the Secretary of Agriculture shall, without reducing price support theretofore undertaken or announced, elect to apply the provisions of this act.

SEC. 415. Section 302 of the Agricultural Adjustment Act of 1938, as amended, and any provision of law in conflict with the provisions of this act are hereby repealed.

SEC. 416. (a) Except to the extent superseded by Public Law 272, Eighty-first Congress, sections 201 (b), 201 (d), 201 (e), 203, 204, 206, 207, and 208 of the Agricultural Act of 1948 shall be effective for the purpose of taking any action with respect to the 1950 and subsequent crops upon the enactment of this act. If the time within which any such action is required to be taken shall have elapsed prior to the enactment of this act, such action shall be taken within 30 days after the enactment of this act.

(b) No provision of the Agricultural Act of 1948 shall be deemed to supersede any provision of Public Law 272, Eighty-first Congress.

SEC. 417. In order to prevent waste of food commodities acquired through price-support operations which are found to be in imminent danger of loss through deterioration or spoilage, the Secretary of Agriculture and the Commodity Credit Corporation are directed to make such commodities available at the point of storage at no cost, save handling and transportation costs incurred in making delivery from the point of storage, to school-lunch programs when approved by the Secretary, and to the Bureau of Indian Affairs and to Federal, State, and local public welfare organizations for the assistance of needy Indians and other needy persons.

Mr. WHERRY. Mr. President, I should like to ask the distinguished majority leader if there is any fixed order in which amendments are to be considered in connection with the farm bill.

The VICE PRESIDENT. The Chair will state that there is one committee amendment to the House bill, in the nature of a complete substitute. It is subject to amendment as if it were the original text. No amendment to the substitute is pending at the present time.

Mr. WHERRY. That is the reason I asked the majority leader if it was his intention to proceed with amendments to the substitute, and if so, which amendment might be brought up first.

Mr. LUCAS. I have no way of knowing which one will be brought up first.

The VICE PRESIDENT. Whichever Senator first addresses the Chair and obtains recognition will, of course, be entitled to offer an amendment.

Mr. ANDERSON. Mr. President, there are two things which I think we may dispose of quickly. They are not involved in controversy. I have sent to the desk one amendment, which corrects the amendment offered by the Senator from South Carolina [Mr. MAYBANK] to section 407. It is printed as an amendment to Senate bill 2522. I might explain to Members of the Senate that it leaves the first part of the amendment to that section and the last part exactly as they were, but substitutes different language for certain language in the amendment of the Senator from South Carolina.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. MAYBANK. The Senator from New Mexico was to have considered in conference the question of the nonapplicability of the amendment to perishable goods.

Mr. ANDERSON. Yes.

Mr. MAYBANK. In addition the distinguished Senator from New Mexico has bettered the amendment by adding an additional 5 percent. It meets with my approval.

Mr. ANDERSON. I hope we may be able to dispose of this amendment quickly. The Senator from Arkansas [Mr. FULBRIGHT] has an amendment with reference to rice, after which I know the Senator from Kentucky [Mr. CHAPMAN] intends to offer his amendment.

I now offer the amendment which I send to the desk and ask to have stated. It is printed as an amendment to Senate bill 2522, but it would strike out the same section in the House bill as it would in the Senate bill.

The VICE PRESIDENT. The amendment offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 17, after line 19, it is proposed to strike out section 407 and insert:

SEC. 407. The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. In determining sales policies for basic agricultural commodities, the Corporation should give consideration to the establishing of such policies with respect to prices, terms, and conditions as it determines will not discourage or deter manufacturers, processors, and dealers from acquiring and carrying normal inventories of the commodity of the current crop. The Corporation shall not sell any basic agricultural commodity at less than 5 percent above the current support price for such commodity, plus all accrued charges, including interest on such commodity from the first day of the marketing year in which such sale is made. The foregoing restrictions shall not apply to (A) sales for new or byproduct uses; (B) sales of peanuts and oilseeds for the extraction of oil; (C) sales for seed or feed if such sales will not substantially impair any price-support program; (D) sales of commodities which have substantially deteriorated in quality or as to which there is a danger of loss or waste through deterioration or spoilage; (E) sales for the purpose of establishing claims arising out of contract or against persons who have committed fraud, misrepresentation, or other wrongful acts with respect to the commodity; (F) sales for export; (G) sales of wool and mohair; and (H) sales for other than primary uses.

Mr. MAYBANK. Mr. President, as author of the original amendment, I may say that that part of the amendment dealing with my original amendment to section 407, with reference to the charges on the Commodity Credit Corporation, is quite agreeable to me.

Mr. LUCAS. Mr. President, I have no objection to the amendment.

Mr. AIKEN. Mr. President, I am not rising to oppose the amendment, because the Senator from New Mexico has worked so hard on the bill that I do not feel like putting any obstacles in the way of its passage in as good a form as possible, and as soon as can be done.

I wish, however, to point out for the RECORD what I consider two weaknesses of this amendment. In the first part of the amendment there is the following language:

The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section. In determining sales policies for basic agricultural commodities, the Corporation should give consideration to the establishing of such policies with respect to prices, terms, and conditions as it determines will not discourage or deter manufacturers, processors, and dealers from acquiring and carrying normal inventories of the commodity of the current crop.

I am afraid that particular sentence might give the Commodity Credit Corporation the prerogative of determining what a fair price should be, rather than engaging in normal trade practices.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MAYBANK. Does not the Commodity Credit Corporation have that power under the present law?

Mr. AIKEN. I think it exerts that influence to a very strong degree. As I say, I am not rising to oppose the amendment. I am simply pointing out possible weaknesses in the amendment.

Mr. MAYBANK. I thank the distinguished Senator from Vermont. It was my intention to have the surplus commodities go into private trade.

Mr. AIKEN. The other provision of this amendment which might prove to be troublesome later is found in the next sentence:

The Corporation shall not sell any basic agricultural commodity at less than 5 percent above the current support price for such commodity, plus all accrued charges, including interest on such commodity from the first day of the marketing year in which such sale is made.

I understand that provision will prevent the Commodity Credit Corporation from breaking the price of cotton at the present time, and probably from now until the beginning of the next crop year. To that extent it would prove to be beneficial. However, I can conceive that if the Commodity Credit Corporation should acquire a sufficient quantity of surplus cotton for it to be carried over for a 4- or 5-year period, and if the Commodity Credit Corporation at the end of

4 or 5 years had an opportunity to sell some of that cotton, but had to include all charges, storage, interest, handling, and so forth, the CCC might be required under the law to hold the price so high that it simply could not dispose of the commodity at all.

Mr. MAYBANK. I thank the Senator from Vermont. I want it distinctly understood that so far as the Senator from South Carolina is concerned, he was not in favor of section 407 at all as it was drawn. I know that I am correct when I say that under the original draft of the bill the Commodity Credit Corporation could absorb the surplus at a price up to 90 percent of parity, which was even worse. This amendment might benefit it by 5 percent.

Mr. AIKEN. I am glad to have the explanation of the Senator from South Carolina. Personally, I think that if the Commodity Credit Corporation were restricted from disposing of a commodity below one of two levels, whichever might be the lower, that would be sufficient. Those two levels would be, first, the cost to the Corporation, including the carrying charges; and second, a point half way between parity and the support level.

Mr. MAYBANK. But that was not in section 407 as it was offered to the Senate.

Mr. AIKEN. That is correct.

Mr. MAYBANK. I agree exactly with what the Senator says. In my judgment the 5 percent is a benefit only for the basic crops. In my judgment it is not as good as an upper level or a lower level. I must confess that I dislike the entire section, but I thought this amendment might benefit the growers of the major crops. I will say to the Senator from Vermont that the Senator from New Mexico has bettered what we have before us by at least 5 percent. Before, the figure was 90 percent.

Mr. AIKEN. I should like to point out at this time what may develop to be two weaknesses in this particular amendment. Undoubtedly it will work very well from now until the beginning of the next cotton-picking season.

Mr. MAYBANK. The Senator will admit, will he not, that if it will work from now until the next cotton-picking season, it is certainly better than the original bill?

Mr. AIKEN. I think the Senator is correct.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. FERGUSON. In order that the RECORD may be clear, let me inquire whether the amendment will apply to all sales of basic commodities by the Commodity Credit Corporation and whether it will apply to sales to foreign nations and foreign commissions, as well as to sales domestically?

Mr. AIKEN. Sales for export are excluded from the restrictions.

Mr. FERGUSON. They are excluded?

Mr. AIKEN. Yes. There are eight types of sales which are excepted from these restrictions.

Mr. FERGUSON. Will the Senator explain what sales are included by the amendment?

Mr. AIKEN. Sales to the domestic trade, I would say, are included by the amendment.

Mr. FERGUSON. Are they the only ones that really are covered by it?

Mr. AIKEN. The purpose of the amendment and of the restrictions is to assure that the Commodity Credit Corporation shall not use a technicality of the law to adversely affect the market price in the event the Corporation decides for itself that the market price is too high.

Mr. FERGUSON. Mr. President, will the Senator further yield?

Mr. AIKEN. I yield.

Mr. FERGUSON. Has the Commodity Credit Corporation ever been known to break the market price?

Mr. AIKEN. I am not sufficient of an expert about that matter to be able to say. The Commodity Credit Corporation has been known to greatly expand the market price.

Mr. FERGUSON. Yes; but I wonder whether it has ever been known to break the price.

Mr. AIKEN. Perhaps the Senator from New Mexico will answer that question.

I do not think the Commodity Credit Corporation has deliberately broken the price of a commodity. I think it has erred in some of its manipulations, so as to throw prices greatly out of line, as in the case of soybeans during this year, when the Corporation started buying soybeans for export after all the soybeans were out of the farmers' hands. The Corporation ran the price up from $2.30 to $3.67 a bushel, approximately; and the middlemen got all the profit from that.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WHERRY. If the Commodity Credit Corporation withdraws from the market and does not buy, naturally in times of heavy shipments the prices will be depressed; and that has been done.

Mr. AIKEN. I think that has been done no longer than a few months ago.

Mr. WHERRY. Yes—and at Kansas City, during the election.

Mr. FERGUSON. The case to which the Senator from Vermont refers was one in which the Commodity Credit Corporation actually used commodities it owned and had in storage to break the price. Is that correct?

Mr. AIKEN. Well, in the case of soybeans the effect was to boost the price.

Mr. FERGUSON. That case was different and the method employed was different from the one the minority leader just cited.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. I wish to say that just this morning I received from the Department of Agriculture a suggestion of additional modifications which it would like to have made. I remind the Senator that this is a section which undoubtedly will be studied in conference, so as to make sure that it is in all respects what everyone wants. But I believe the language now proposed improves the original provision.

Mr. AIKEN. At any rate, I think the amendment will adequately control the situation for the next 10 months.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield.

Mr. WHERRY. In order to make the record absolutely clear, let me say that although the question I asked a moment ago would not be applicable in this case, yet it seems to me there will be no protection relative to the point raised a few moments ago by the distinguished Senator, even though the amendment is adopted.

Mr. AIKEN. That is correct. I do not know that there is any protection in any law against having the Commodity Credit Corporation buy heavily at one period, and subsequently dispose of its purchases at another period.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. DONNELL. Will the Senator be kind enough to explain what the language "(H) sales for other than primary uses" means? I understand that the restrictions do not apply to such sales.

Mr. AIKEN. That language was included in title II of the 1948 act. It was explained to us at the time that there was some question as to the propriety or even the legality of selling potatoes for the manufacture of alcohol; in other words, whether that manufacture into alcohol would be considered a byproduct use, or just what use it would be considered as being. It was said that if subsection (H) were included, it would certainly cover the sale of potatoes to be manufactured into alcohol, and also would cover any other unforeseen contingencies.

Mr. ANDERSON. Mr. President, in view of the fact that on yesterday the committee removed mohair from the supported group, I should like to ask unanimous consent to modify my amendment, on page 2, in line 15, by striking out the words "and mohair" after the word "wool."

The VICE PRESIDENT. The Senator can modify his amendment without obtaining unanimous consent.

Mr. ANDERSON. Very well, Mr. President; I so modify the amendment.

The VICE PRESIDENT. The modification will be stated.

The CHIEF CLERK. The amendment is modified, on page 2, in line 15, by striking out the words "and mohair" after the word "wool."

The VICE PRESIDENT. The question is on agreeing to the modified amendment of the Senator from New Mexico.

Mr. DONNELL. Mr. President, will the Senator from New Mexico yield for a question?

Mr. ANDERSON. I yield.

Mr. DONNELL. I should like to have the Senator explain his views regarding the fact that the restrictions in his amendment, and likewise those in the committee amendment under section 407, do not apply to "sales for other than primary uses." The Senator from Vermont very kindly explained it a moment ago; but I should like to see whether the

Senator from New Mexico can give us some further reason why such broad language is used.

The thought I have in mind is that here we have certain restrictions which obviously are thought to be well-founded. Yet when we read the provisions as to the things to which the restrictions do not apply, it is difficult to understand exactly the situation.

The thought I have in mind in making my inquiry is this, and I should like to obtain the Senator's idea regarding it: His amendment adds to the committee amendment, as I understand, the second sentence, and in the second sentence the Corporation is required, in determining sales policies, to give consideration to the establishing of such policies with respect to prices, and so forth, as it determines will not discourage or deter manufacturers, and so forth. Then a further protection is included, by means of which it is provided that the Corporation shall not sell any basic agricultural commodity at less than 5 percent above the current support price, which provision is an addition to the committee amendment. Then, however, we come to the concluding sentence and to a list of commodities to which the foregoing restrictions shall not apply. I take it that most of them are reasonably clear, and perhaps are entirely clear to those who are experts along these lines.

But when we reach the last item, "(H) sales for other than primary uses," I am in doubt as to what that means and why it is necessary to have so broad and, to my mind, a somewhat vague expression used. Does it nullify or could it nullify the very restrictions which are imposed by the earlier portion of the amendment?

Mr. ANDERSON. No; it cannot nullify those restrictions. The Department of Agriculture frequently is asked to let a particular agricultural commodity be tested as to its possibilities for a different type of use than the one to which it is normally put. The commodities listed are listed, I am quite sure, exactly as they appear in the Aiken bill of a year ago. We did not feel that this language should be changed. I think the Department has not made any sales for other than primary uses. But in proposing the language they felt there might come occasions when the sales would not fit into new or byproduct uses, which is the first category, but might be something a little different. I am thinking now that we have been selling cotton for insulation and for the making of paper. We have been trying a number of different things. The Department of Agriculture was convinced that there should be authority to sell for purposes which would not necessarily constitute the primary use of cotton, but might be a secondary use of it. I am sorry to say to the Senator that thus far I cannot give him an example of how it is used in such ways, because I do not know that it has been so used.

Mr. DONNELL. Mr. President, will the Senator yield for one further question?

Mr. ANDERSON. I yield.

Mr. DONNELL. In the Aiken bill, is the term "primary uses" defined?

Mr. ANDERSON. No; it is not. It is just as it is here.

Mr. HUNT. Mr. President, I wish to offer an amendment.

Mr. RUSSELL. Mr. President——

The PRESIDING OFFICER (Mr. HOEY in the chair). The Chair calls attention to the fact that an amendment is now pending.

Mr. RUSSELL. May we have the amendment restated? In the confusion, I did not understand it.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. On page 17, line 20, it is proposed to strike out section 407 and insert a new section in the nature of a substitute.

Mr. RUSSELL. May I inquire of either the Senator from New Mexico or the Senator from Vermont whether that is the amendment Senators have just discussed, relative to the handling of commodities by the Commodity Credit Corporation?

Mr. ANDERSON. That is correct.

The PRESIDING OFFICER. Is there further discussion of the amendment?

Mr. LUCAS and Mr. DONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. LUCAS. Mr. President——

Mr. DONNELL. Mr. President, I defer to the Senator from Illinois. I wanted to ask the Senator from New Mexico another question.

Mr. LUCAS. I suggest the Senator proceed with his question.

Mr. DONNELL. Will the Senator from New Mexico be kind enough to enlighten me on this point? In section 407 of the committee amendment it is provided: "The Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section." Then there follows this provision: "It shall not sell any such commodity at less than the current support price," and so forth. In the Senator's amendment I observe that while the opening sentence continues to say the Commodity Credit Corporation may sell any farm commodity owned or controlled by it at any price not prohibited by this section, the amendment abandons the language of the committee amendment by prohibiting the sale of any such commodity, and instead says the Corporation shall not sell any basic agricultural commodity at less than 5 percent above the current support price, and so forth. So, as I read it, the Senator's amendment does not act as a restriction on the Commodity Credit Corporation's selling anything except basic agricultural commodities at less than the specified price, whereas the committee amendment, as I read it, acts as a prohibition against the Commodity Credit Corporation's selling any farm commodity owned or controlled by it, whether basic or otherwise.

Mr. ANDERSON. Yes; I explained on the floor at the time the Senator from South Carolina presented his amendment, or subsequently thereto, that I was not happy about his amendment, because he was trying to control the situation in basic commodities. But, in the case of perishable commodities, his amendment, if I may take a moment to comment on it, provided that in the case of the sale of a commodity, it could not be sold for less than the support price plus all costs and expenses of the Corporation, including interest, storage, insurance, transportation, and so forth. If there were involved the sale of perishables, such as the very perishable crop of tomatoes, and an effort was being made to ship them out of one area and still get some use of the product, by the time the transaction was delayed to include interest, storage, insurance, and transportation costs, the crop would be spoiled. Therefore, in the case of perishables, we tried to make it possible for the Commodity Credit Corporation to act very quickly.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. AIKEN. I think I can explain the thing which disturbs the Senator from Missouri. The people of the Northern States do not want the Commodity Credit Corporation to break the price on butter, cheese, or meats, or any similar commodity. I am wondering whether it could not be further amended so as to read, "The Corporation shall not sell any basic agricultural commodity or storable nonbasic commodity."

Mr. ANDERSON. Yes, that would improve it.

Mr. DONNELL. What are the words the Senator added? I did not get them.

Mr. AIKEN. "Or storable nonbasic commodity." In other words, we would not want the Corporation to maintain the price of corn, and then let them sell oats, rye, and barley for whatever price they saw fit.

Mr. ANDERSON. I tried to explain a moment ago, knowing what the language of the amendment of the Senator from South Carolina was, that we should try to modify it. Again, Mr. President, I modify my amendment to include the clause "or storable nonbasic commodity."

Mr. DONNELL. Would those words come in immediately after the words "agricultural commodity", in line 10, on page 1 of the amendment?

Mr. ANDERSON. That is correct—"or storable nonbasic agricultural commodity."

Mr. DONNELL. I think that improves it.

Mr. ANDERSON. I agree.

Mr. DONNELL. I thank the Senator from Vermont for his suggestion.

Mr. LUCAS. Mr. President, in view of the fact that a number of Senators have come to me and expressed the hope that we may dispose of this bill sometime this afternoon, I hope we may move along with all speed. Some Senators desire to leave the city tonight. They have engagements for tomorrow and the following day. It is the hope that we may be able to finish this bill at least around 4 o'clock this afternoon. A little later on, I shall ask unanimous consent to vote on the bill and all amendments, perhaps about that time.

Mr. WHERRY. Mr. President, will the Senator from New Mexico yield for a question?

Mr. ANDERSON. I yield.

Mr. WHERRY. Now that his amendment has been modified in line 10, should not the modification also be made in line 4, after the words "the basic agricultural commodities"?

Mr. ANDERSON. The Senator from Nebraska is correct. Again I request permission to modify my amendment.

The PRESIDING OFFICER. The clerk will state the modification.

Mr. ANDERSON. It is to insert in line 4, after "basic agricultural commodities," the same language was inserted in line 10, namely, "or storable nonbasic agricultural commodities."

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, to the committee amendment.

The amendment to the amendment was agreed to.

Mr. FULBRIGHT. Mr. President, I send to the desk an amendment, which I ask to have read.

The PRESIDING OFFICER. Does the Senator want the entire amendment read?

Mr. ANDERSON. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. ANDERSON. This is an amendment which the committee had no opportunity of studying. It was submitted by various groups from rice-producing sections. In the limited study we have made of it, we see absolutely nothing wrong with it. It seems to be agreed upon by the rice producers in Louisiana, Arkansas, and, I think, every other area. The Department of Agriculture assures me it is a proper amendment. Those representing the rice States assure me it is proper, and if the Senator from Arkansas is agreeable, I am sure I should be agreeable to taking it to conference. By that time we shall have further opportunity to check as to its implications.

Mr. AIKEN. May we know what the amendment is?

Mr. FULBRIGHT. I have a very brief statement for the information of the Senate.

Mr. AIKEN. May we first have the amendment read?

Mr. FULBRIGHT. I ask that the amendment be reported, but not read in full.

The PRESIDING OFFICER. Without objection, the amendment will be printed in full at this point, but not read.

Mr. FULBRIGHT'S amendment to the committee amendment is as follows:

At the appropriate place in the bill insert a new section, as follows:

SEC. 419. (a) Sections 353, 354, 355, and 356 of the Agricultural Adjustment Act of 1938, as amended, are amended to read as follows:

"Apportionment of national acreage allotment

"SEC. 353. (a) The national acreage allotment of rice for each calendar year shall be apportioned by the Secretary among the several States in which rice is produced in proportion to the average number of acres of rice in each State during the 5-year period immediately preceding the calendar year for which such national acreage allotment of rice is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs) with adjustments for trends in acreage during the applicable period.

"(b) The State acreage allotment shall be apportioned to farms owned or operated by persons who have produced rice in any one of the 5 calendar years immediately preceding the year for which such apportionment is made on the basis of past production of rice by the producer on the farm taking into consideration the acreage allotments previously established for such owners or operators; abnormal conditions affecting acreage; land, labor, and equipment available for the production of rice; crop rotation practices; and the soil and other physical factors affecting the production of rice: *Provided*, That if the State committee recommends such action and the Secretary determines that such action will facilitate the effective administration of the act, he may provide for the apportionment of the State acreage allotment to farms on which rice has been produced during any one of such period of years on the basis of the foregoing factors, using past production of rice on the farm and the acreage allotments previously established for the farm in lieu of past production of rice by the producer and the acreage allotments previously established for such owners or operators. Not more than 3 percent of the State acreage allotment shall be apportioned among farms operated by persons who will produce rice during the calendar year for which the allotment is made but who have not produced rice in any one of the past 5 years, on the basis of the applicable apportionment factors set forth herein: *Provided*, That in any State in which allotments are established for farms on the basis of past production of rice on the farm such percentage of the State acreage allotment shall be apportioned among the farms on which rice is to be planted during the calendar year for which the apportionment is made but on which rice was not planted during any of the past 5 years, on the basis of the applicable apportionment factors set forth herein.

"(c) Notwithstanding any other provision of this act, any acreage planted to rice in excess of the farm acreage allotment shall not be taken into account in establishing State and farm acreage allotments.

"Marketing quotas

"SEC. 354. (a) Whenever in any calendar year the Secretary determines that the total supply of rice for the marketing year beginning in such calendar year will exceed the normal supply for such marketing year by more than 10 percent, the Secretary shall not later than December 31 of such calendar year proclaim such fact and marketing quotas shall be in effect for the crop of rice produced in the next calendar year.

"(b) Within 30 days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum by secret ballot of farmers engaged in the production of the immediately preceding crop of rice to determine whether such farmers are in favor of or opposed to such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas the Secretary shall, prior to the 15th day of February, proclaim the result of the referendum and such quotas shall become ineffective.

"Amount of farm marketing quota

"SEC. 355. The farm marketing quota for any crop of rice shall be the actual production of rice on the farm less the normal production of the acreage planted to rice on the farm in excess of the farm acreage allotment. The normal production from such excess acreage shall be known as the 'farm marketing excess': *Provided*, That the farm marketing excess shall not be larger than the amount by which the actual production of rice on the farm exceeds the normal production of the farm acreage allotment if the producer establishes such actual production to the satisfaction of the Secretary.

"Penalties and storage

"SEC. 356. (a) Whenever farm marketing quotas are in effect with respect to any crop of rice, the producer shall be subject to a penalty on the farm-marketing excess at a rate per pound equal to 50 percent of the parity price per pound for rice as of June 15 of the calendar year in which such crop is produced.

"(b) The farm-marketing excess of rice shall be regarded as available for marketing and the amount of penalty shall be computed upon the normal production of the acreage on the farm planted to rice in excess of the farm-acreage allotment. If a downward adjustment in the amount of the farm-marketing excess is made pursuant to the proviso in section 355, the difference between the amount of the penalty computed upon the farm-marketing excess before such adjustment and as computed upon the adjusted-marketing excess shall be returned to or allowed the producer.

"(c) The person liable for payment or collection of the penalty shall be liable also for interest thereon at the rate of 6 percent per annum from the date the penalty becomes due until the date of payment of such penalty.

"(d) Until the penalty on the farm-marketing excess is paid, postponed, or avoided, as provided herein, all rice produced on the farm and marketed by the producer shall be subject to the penalty provided by this section and a lien on the entire crop of rice produced on the farm shall be in effect in favor of the United States.

"(e) The penalty on the farm-marketing excess on any crop of rice may be avoided or postponed by storage or by disposing of the commodity in such other manner, not inconsistent with the purposes of this act, as the Secretary shall prescribe, including, in the discretion of the Secretary, delivery to Commodity Credit Corporation or any other agency within the Department. The Secretary shall issue regulations governing such storage or other disposition. Unless otherwise specified by the Secretary in such regulations, any quantity of rice so stored or otherwise disposed of shall be of those types and grades which are representative of the entire quantity of rice produced on the farm. Upon failure so to store or otherwise dispose of the farm-marketing excess of rice within such time as may be determined under regulations prescribed by the Secretary, the penalty on such excess shall become due and payable. Any rice delivered to any agency of the Department pursuant to this subsection shall become the property of the agency to which delivered and shall be disposed of at the direction of the Secretary in a manner not inconsistent with the purposes of this act.

"(f) Subject to the provisions of subsection (g) of this section, the penalty upon the farm-marketing excess stored pursuant to this section shall be paid by the producer at the time and to the extent of any depletion in the amount so stored except depletion resulting from some cause beyond the control of the producer or from substitution of the commodity authorized by the Secretary.

"(g) (1) If the planted acreage of the then current crop of rice for any farm is less than the farm-acreage allotment, the amount of the commodity from any previous crop of rice stored to postpone or avoid payment of the penalty shall be reduced by an amount equal to the normal production of the number of acres by which the farm-acreage allotment exceeds the acreage planted to rice.

"(2) If the actual production of the acreage of rice on any farm on which the acreage of rice is within the farm-acreage allotment is less than the normal production of the farm-acreage allotment, the amount of rice from any previous crop stored to postpone or avoid payment of the penalty shall be reduced by an amount which, together with the actual production of the then current crop will equal the normal production of the farm-acreage allotment: *Provided*, That the production under this subsection shall not exceed the amount by which the normal production of the farm-acreage allotment less

any reduction made under subsection (g) (1) is in excess of the actual production of the acreage planted to rice on the farm."

(b) Subsections 201 (b), (c), (d), and (e) of the Agricultural Act of 1948 shall become effective upon the enactment of this act.

Mr. FULBRIGHT. Mr. President, I desire to explain the amendment briefly. A meeting was held in Louisiana a few days ago at which there were present representatives from Louisiana, of course, Arkansas, Texas, and California. There were 8 representatives from California, 10 from Texas. There were also representatives from Mr. Crawley's office. Mr. Crawley is the Assistant Administrator for Production in the Department of Agriculture. The amendment seeks to do three principal things.

First. It provides that farm-acreage allotments may be determined in a State on the basis of farm history of production or on the basis of personal history of rice production of the individual producer, as recommended by the State committee. Existing law provides for the use of personal history only.

There has grown up, because of the requirement, a considerable practice of jobbing about of personal allotments in some of the States referred to, especially where there are many small producers. I am informed that in Texas and California there is no problem, but that in Louisiana and Arkansas there is. That is the reason for the amendment. It is only permissive. They may use it, within the State, with the permission of the Secretary of Agriculture. They may make the allotment within the State, either on the basis of the acreage of the farm and its history of production, or on the basis of the personal history, as is now required.

The second point is that it provides that no credit shall be given in determining future acreage allotments for any acreage planted in excess of farm-acreage allotment. In this respect it is identical with the cotton provisions.

The third point is that it puts the enforcement of farm-marketing quotas on the farm-marketing-excess basis and permits the farmer to avoid or postpone the payment of the marketing penalty by storage of the excess rice or delivering it to the Secretary for diversion from the normal channels of trade and commerce or similar use. In these respects rice would be identical with wheat and corn. Under present law, it is not clear what the farm-marketing quota is, and in the opinion of the Solicitor of the Department, it would be extremely difficult to enforce rice-marketing quotas under the present law.

The fourth point is that it eliminates the domestic allotment of rice which has no relation to marketing quotas.

I may say, Mr. President, that this amendment was submitted to me only on yesterday afternoon. Mr. Satterfield, who is in charge of the allotment and marketing quota work for rice, in the Grain Division, brought it to me. The Department had representatives at the meeting who requested that I submit it. I myself had no previous notice of it. All I ask is that the committee accept it and take it to conference. I believe no objection to it will develop either on the part of the representatives from the rice-producing States, or on the part of the Department of Agriculture.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas.

Mr. DONNELL. Mr. President, before we get too far away from the amendment which was adopted a little while ago to section 407, I desire to say that I am not entitled at all to credit in connection with it. The Senator from Vermont [Mr. AIKEN] indicated that I had thought of butter or other commodities of that type. I had not thought of the illustrations. I did observe the fact that the one sentence contained a provision with regard to the sale of any farm commodity, whereas the later sentence was more restricted. I do not want to take credit to which I am not entitled.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. FULBRIGHT].

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. CHAPMAN. Mr. President, on behalf of myself, the Senator from Kentucky [Mr. WITHERS], and the Senator from Missouri [Mr. KEM], I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 23, after line 4, it is proposed to insert the following:

Section 409 of title IV of the bill is amended by adding a new subsection (F) as follows:

"(F) Notwithstanding any other provision of law, any reduction made in farm marketing quotas or acreage allotments for any kind of tobacco because of a reduction from the last established national marketing quota or State acreage allotments shall be applied to all farms, except that any farm acreage allotment for burley tobacco established pursuant to Public Law 276, Seventy-eighth Congress, as amended by Public Law 302, Seventy-ninth Congress, shall not be reduced for any year by more than one-tenth of an acre below the allotment last established for the farm and no reduction shall be made in any burley allotment of five-tenths of an acre or less. This provision shall become effective for the 1950 crop."

Mr. CHAPMAN. Mr. President, this amendment was offered several days ago when the bill was first taken up for consideration. After it was recommitted it became necessary to offer the amendment again. I regret the necessity which causes me to be somewhat repetitious in explaining the necessity for this amendment which I have offered on behalf of myself, the Senator from Kentucky [Mr. WITHERS], and the Senator from Missouri [Mr. KEM].

This amendment affects only burley tobacco. No other type of tobacco and no other products are covered by this amendment.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield to the distinguished minority leader.

Mr. WHERRY. I should like to get the picture correctly. By special statute we have already established provisions relative to burley tobacco, have we not?

Mr. CHAPMAN. Burley tobacco is included in the general farm program.

Mr. WHERRY. Yes; but I mean so far as 90 percent of parity is concerned, it has been taken care of, has it not?

Mr. CHAPMAN. Not by special statute, but by general law.

Mr. WHERRY. Is there not a special statute which has something to do with burley tobacco.

Mr. CHAPMAN. There are a great many, perhaps.

Mr. WHERRY. Is this new language?

Mr. CHAPMAN. It does not relate to parity at all.

Mr. WHERRY. To what does it relate?

Mr. CHAPMAN. That is what I am about to attempt to explain.

The burley-tobacco program has been outstandingly successful during its operation, and we have proudly claimed that it is probably the most successful farm program in the history of this or any other nation, but it is now in serious danger of collapse. If it does collapse, it cannot be successfully disputed that the other great tobacco programs which have risen with it and worked along with it would go down to dissolution following the destruction of this program.

There is a serious overproduction. At present the surplus of burley tobacco is 130,000,000 redried pounds, which is the equivalent of 145,000,000 green pounds. During the war, when the President of the United States, the Department of Agriculture, and Judge Marvin Jones, who was then Food Administrator, were calling on farmers throughout the land to work around the clock to produce as much as possible of all kinds of farm commodities, we enacted a law, in order to help increase production, in which there was exempted 1 acre of burley tobacco. There is no exemption with respect to any other type of tobacco. There is no exemption as to dark fire-cured, dark air-cured, or flue-cured tobaccos. The last named, when blended with the burley leaf, produces the popular brands of American cigarettes. Burley is the only kind of tobacco of which any acreage at all is exempted.

The then chairman of the House Committee on Agriculture, Hon. John W. Flannagan, who represented the only burley-producing district in the Commonwealth of Virginia, introduced a bill, which the House passed unanimously, to exempt quotas of not more than 1 acre from reduction in times when reduction might be ordered by the Department of Agriculture. In his absence I appeared before the Senate Committee on Agriculture and asked for its adoption as an aid to all-out production. It was reported and enacted. It served very well then, increasing the total production approximately 3 percent; but the result has been that in 1946, after the war, the burley producers recognized the fact that they needed a reduction, and we passed a law reducing all burley quotas 10 percent. That included the producer with an exemption of 1 acre, and reduced the exemption to nine-tenths of an acre.

In 1947, in the exercise of its good judgment, the Department of Agriculture, under the statutory formula, reduced burley acreage 20 percent. It amounted to an over-all reduction of only 16 percent, because of the exempted growers. In 1948 there was a smaller reduction.

In 1947, at the time the 20-percent reduction in acreage became necessary, the distinguished Secretary of Agriculture, now the Senator from New Mexico [Mr. ANDERSON], the author of this bill, sent a message to the President pro tempore of this body, the eminent Senator from Michigan [Mr. VANDENBERG], asking Congress to repeal the exemptions on burley tobacco at that time. His arguments were sound. Later in the year when the Congress did not respond by acting upon such a bill, Mr. N. E. Dodd, as Acting Secretary on behalf of Secretary ANDERSON sent another message asking that all exemptions be repealed. No action was taken. The situation now is that we are faced with another possible 20-percent reduction this year, and it will mean an over-all reduction of only 13 percent because of the still larger number of growers in the exempted class.

The amendment which I have proposed, on behalf of the Senator from Kentucky [Mr. WITHERS], the Senator from Missouri [Mr. KEM], and myself, does not go so far and propose so drastic a change as did the amendment recommended to the Congress by the then Secretary of Agriculture, our distinguished colleague from New Mexico. This amendment does not repeal exemptions. It provides, however, that in any future cuts in burley acreage, beginning with the 1950 crop, those who now belong to the exempted class shall be cut not more than one-tenth of an acre in any one year, and that in no event shall any grower now in the exempted class be cut to less than one-half acre, making one-half acre the absolute minimum allotment under the burley program.

There has been a great change in methods of cultivation of burley tobacco during the past few years. The distinguished Senator from New Mexico, when I was discussing this amendment in this Chamber Monday, in asking me a question, brought out the point that the man with a half-acre allotment now is producing nearly as much tobacco as he would have produced with an acre allotment only a few years ago. The average yield per acre of burley tobacco during the period from 1934 to 1938, was 819 pounds. In 1948, because of improved methods of cultivation, disease-free plants, close planting, and heavy fertilization, the average yield increased to 1,396 pounds per acre, and the Department of Agriculture this year forecasts a production of 1,308 pounds per acre, the decrease from 1948 being due to weather conditions, not to any intentional reduction in yield per acre.

The increase in production has resulted in the present great surplus, so that in the situation existing today, before the 20-percent cut, which is anticipated this year, 55 percent of all the growers are exempt. The officials of the Tobacco Division of the Department of Agriculture, contemplating the crop produced this year, say that an over-all cut of 20 percent this year would result in 65 percent of the growers being exempted, and leave 35 percent to carry all of the load, while the 65 percent would ride the backs of the 35 percent in their efforts to maintain the prosperity which has been achieved under the very successful and beneficial burley-tobacco program. Mr. President, that is too small a foundation, as I said here Monday, on which to base such a colossal superstructure as this entire burley program is.

Another cut will be necessary because of the increase of yields. There are instances of farms which produced 800 pounds to the acre 10 or 15 years ago now having actually reached the huge total yield of 2,000 pounds per acre. That means that we will still have the surplus. Only last night I talked with Department officials who have administered this program ably for the past 15 years. They told me that they are apprehensive that as a result of the crop next year there will have to be another cut, and that it could reduce the number who bear the burden and carry the load of the whole program to 25 percent or less of the growers.

Mr. President, there is something in human nature that impels a man, when he feels he is the victim of injustice, to pull down the pillars of the temple even though the collapse encompasses his own destruction. Those who have lived with this subject throughout the life of this program, and who have lived with burley tobacco throughout the years, those who know it best, and the men yonder in the Department of Agriculture who have administered the program successfully for the benefit of hundreds of thousands of farm homes, are apprehensive that if such an amendment as the one we have offered is not adopted, within the next 2 or 3 years the entire program will collapse, and with its collapse there would come a return to the conditions when penury and poverty, want and woe, desperation and despair, cast a dark shadow over hundreds of thousands of farm homes, and conditions under which scores of thousands of tobacco growers would be returned to the state of economic bondage from which they were rescued by this great tobacco program.

Many people endorse this amendment, including not only all of the officials of the Department who know this program from having administered it, but the directors of the great Burley Tobacco Growers Cooperative Association, which acts as the representative of the Commodity Credit Corporation in administering the price-support program, to which the able Senator from Nebraska referred, and maintaining the floor under the program, which has brought stability to tobacco prices and prosperity to tobacco-producing sections of the country.

Mr. McKELLAR. Mr. President, will the Senator from Kentucky yield?

Mr. CHAPMAN. I yield to the Senator from Tennessee.

Mr. McKELLAR. Is it not true that there has been no evidence taken on this amendment before either committee?

Mr. CHAPMAN. It is true, I will say to my distinguished friend, the eminent senior Senator from Tennessee, that the Committee on Agriculture and Forestry during the hearing did not take any evidence on the amendment, but the officials of the Department of Agriculture, who are administering the program, who work with the program every day, are of one mind that this amendment is absolutely necessary in order to save the program. Furthermore, I will say to the Senator, a vast majority of the representatives of the growers, those who have successfully operated the program throughout the years of its existence, are of the same opinion.

The State of Kentucky produces 70 percent of all the burley tobacco produced in the United States, and in the world. The Burley Association, consisting——

Mr. McKELLAR. Will not the Senator yield, before he proceeds?

Mr. CHAPMAN. Certainly.

Mr. McKELLAR. Is it not true that at the instance of the Senator himself a great many people from Kentucky and some from other parts of the country appeared before the committee when it was considering the 1948 Agricultural Act, what is known as the Aiken bill, which established nine-tenths of an acre as the maximum allotment, and that they all testified that they were satisfied with the law; that it was working well, and that they had been exceedingly prosperous? Is not the fight now one on the part of the big tobacco growers against the small growers, the men who make a money crop out of nine-tenths of an acre, and that the Senator wants to reduce the nine-tenths of an acre to half an acre? Think of it, Senators, this amendment would reduce the land a tobacco farmer could use to one-half an acre, from nine-tenths of an acre. Why? Because if this amendment were agreed to it would put the burden of loss on the small farmers, as well as the big ones. That is the foundation of the amendment.

Mr. CHAPMAN. Mr. President, I shall be glad to endeavor to answer the questions asked by my eminent friend from Tennessee.

Mr. McKELLAR. I hope the Senator will.

Mr. CHAPMAN. First, he referred to the hearing which was held before the Senate Committee on Agriculture and Forestry in the Eightieth Congress.

Mr. McKELLAR. I have the report of it before me.

Mr. CHAPMAN. I was there. It was a hearing on the Aiken bill, in 1948. At that time I was present, and, in fact, I was instrumental, as I think the distinguished Senator who was the author of the bill knows, in helping to bring before the committee a very large delegation, representing every type of tobacco under quotas, every State that had tobacco under quotas, and every farm organization in those States, not only organizations of tobacco growers, but from States in which the Farm Bureau and the Grange operate, representatives of those great organizations appeared. In their testimony, taken throughout one morning session, their views were presented. Then they were summarized by a brief statement of five points, which I had been delegated by that combined group

to present to and request action upon by the Senate Committee on Agriculture. Four of those points were granted, but none of them, I will say to my eminent friend, the Senator from Tennessee, had any reference whatever to the acreage-allotment provision. The only request of that group of tobacco growers, representative of all the growers in the United States under the quota system, which was not adopted, was the proposition of a fixed base period for computation of parity. The other points were accepted, and not one of them is repealed by the pending bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I have not concluded my answer to the Senator's question, but I yield.

Mr. McKELLAR. On the occasion to which the Senator from Kentucky refers Mr. Shaw was a witness, and he testified, did he not?

Mr. CHAPMAN. Yes.

Mr. McKELLAR. He said:

> We have no objection to the broad provisions of Senator AIKEN'S bill in a long-range program, but we simply ask that we people in tobacco be allowed to operate under the present law.

Mr. CHAPMAN. Yes.

Mr. McKELLAR. And Mr. Blalock, whom the Senator introduced to the committee, testified as follows:

> As tobacco growers, we are satisfied with the program as it now is; of course, with a few wrinkles ironed out, as we are sure you gentlemen can iron out.

Then again Mr. Proctor, who was introduced to the subcommittee by the Senator from Kentucky at that time, just a year ago, testified as follows:

> Mr. Chairman and gentlemen of the committee, I am one of the producers of burley tobacco in Kentucky that Congressman CHAPMAN told you produced 70 percent of the burley tobacco produced in the world. I have had a brief statement from the Secretary—

And so forth. He said he was satisfied with the program. Every other witness said he was satisfied with the program. Not one witness complained of it.

Let me read from the statement of Mr. R. W. Benson, as it appears on page 431 of the hearings:

> They sent me to Washington to tell you gentlemen that we would like to keep the present program going.

Now, at the last minute, Mr. President, without a hearing, without a witness being heard, the Senator from Kentucky wants to reduce the acreage of the small tobacco grower the farmer in the mountains who produces this form of tobacco, which is his one money crop, and which brings him in $500 to $600 on nine-tenths of an acre. He is not allowed, under the present law, to plant more than nine-tenths of an acre. Yet my distinguished and splendid friend, whom I love very greatly, wants to reduce the acreage of the poor tobacco farmer to one-half acre. Is it fair, is it just, is it right to do so, without evidence? The only evidence we have in the record shows absolutely to the contrary, that the producers were satisfied with the program. Yet now, at the last minute, attempt is made to place the proposed restriction on the small farmer as well as on the large fellow.

Mr. CHAPMAN. Mr. President, I am very thankful to my distinguished friend, the Senator from Tennessee, for his observations, which I shall now endeavor to answer. He referred to a very distinguished agricultural leader, Mr. R. Flake Shaw, of North Carolina. Mr. Shaw himself called me over the telephone yesterday. He hold me that he hopes this amendment will be adopted. He said that he fears that if the collapse of the burley tobacco program comes about all of the great flue-cured program, in which I say that he is one of the ablest leaders, will follow in the impending dissolution. Mr. Shaw is also a national official of the American Farm Bureau Federation, and one of its ablest leaders. Now as to the other men who appeared before the Senate Committee on Agriculture in 1948, the issue of this allotment reduction was not involved in the Aiken bill at all. We endorsed—and, I may say to the Senate, I had a good deal to do with bringing that group here—we endorsed those five points, and all of them were adopted by the Senate except one, and those four points are still in the law, and would not be repealed by the language of the pending bill.

The Burley Tobacco Growers Association, composed of more than 230,000 members in Kentucky, Missouri, Indiana, Ohio, and West Virginia, have wholeheartedly and unreservedly endorsed the amendment, and now urge its adoption. The executive committee, composed of John W. Jones, North Middletown, the president; John M. Berry, New Castle, the vice president; and W. L. Staton, Lexington, the secretary-treasurer, have talked with me today.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield to the distinguished junior Senator from North Carolina.

Mr. GRAHAM. Were the burley tobacco growers from the mountain areas of North Carolina and Tennessee brought in?

Mr. CHAPMAN. They have separate associations. I named the States included in the Burley Tobacco Growers Cooperative Association, Kentucky, Missouri, Indiana, Ohio, West Virginia, and I have a telegram from the burley tobacco director for the State of Ohio, Mr. E. C. Schatzman, Russellville, Ohio, and one from Mr. George W. Elliott, the burley tobacco director for the State of Indiana, Corydon, Ind., urging the adoption of the amendment. I shall place those telegrams in the RECORD. The Kentucky Farm Bureau Federation, of which Mr. Proctor, to whom the Senator from Tennessee referred, is one of the legislative representatives, has sent me a telegram signed by the executive secretary, Mr. J. E. Stanford, which I also shall place in the RECORD at this place. Mr. Proctor himself, to whom the distinguished Senator from Tennessee referred, is a very able and devoted farm leader, and heartily endorses this amendment for the benefit of burley farmers.

RUSSELLVILLE, OHIO, *October 4, 1949.*

Hon. VIRGIL CHAPMAN,
Senator from Kentucky:

We heartily endorse the Chapman amendment to the Anderson farm bill to revise the present minimum tobacco acreage provision.

E. C. SCHATZMAN,
Ohio Director of Burley Tobacco Growers.

CORYDON, IND., *October 6, 1949.*

Senator CHAPMAN,
Washington, D. C.:

We are glad to support your tobacco amendment to Anderson agriculture bill.

GEORGE W. ELLIOTT,
Indiana Director of Burley Tobacco Growers Cooperative Marketing Association.

LOUISVILLE, KY., *October 3, 1949.*

Senator VIRGIL CHAPMAN,
Senate Office Building,
Washington, D. C.:

We strongly favor your amendment to Anderson bill, S. 2522, making provision for partial reduction of allotments of nine-tenths acre and below.

J. E. STANFORD,
Executive Secretary, Kentucky Farm Bureau.

It was not the Aiken bill which included the nine-tenths of an acre exemption. The Aiken bill did not touch that subject. As I explained in the beginning, before the Senator from Tennessee came into the Chamber, after the then chairman of the Committee on Agriculture in the House of Representatives, Mr. Flannagan, of Virginia, whose district in southwestern Virginia produces practically all the burley tobacco produced in that State, and which district has probably as large a percentage of exempted growers as has any district in the United States; after Mr. Flannagan, as chairman of the committee, piloted that bill through the House of Representatives, he had to go to Virginia, and asked me to represent him before the Senate committee, which I did, and the Senate committee reported the 1-acre-exemption bill. Mr. Flannagan sent me a telegram yesterday. I will say that no man has ever done more as a leader in the enactment of the tobacco growers' legislation beneficial to the small growers of the country than has John Flannagan, of Virginia. He retired voluntarily at the end of the Eightieth Congress. This is what Mr. Flannagan, the author of the 1-acre-exemption measure, said in a telegram addressed to me:

BRISTOL, VA., *October 4, 1949.*

Senator VIRGIL M. CHAPMAN:

In view of the changes that have taken place since the small tobacco growers amendment was passed, I believe that it is necessary in order to preserve the tobacco program, to pass your amendment providing that in the event of an acreage reduction the small grower shall also be cut to the extent of not more than one-tenth of an acre per year. And that in no event can his acreage be reduced below five-tenths of an acre.

As I view the situation at present, such an amendment is necessary to preserve the program. While I regret that changed conditions have forced me to this conclusion, we should not lose sight of the fact that

the program, which means life or death to the tobacco grower, must be preserved.

JOHN W. FLANNAGAN, Jr.

No man had more to do with the building of that tobacco program and its successful operation than did Representative Flannagan, of Virginia. I could call no more competent and authoritative witness in advocacy of this vitally important amendment.

None of the officials of the Department of Agriculture, and none of the leaders who have lived with the tobacco problem for the past generation would stand any higher as a witness on this subject than my eminent friend from Virginia, John W. Flannagan, who was the Representative in Congress who led in the enactment of so much beneficial tobacco and other agricultural legislation, and who was always the outstanding spokesman for those to whom the senior Senator from Tennessee refers as "small growers."

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. KEFAUVER. As the Senator well knows, when this matter first came up some information was passed around. I think some official in the Department of Agriculture thought that certain burley tobacco growers in Tennessee had had a meeting, and that they favored this amendment. At that time, on the basis of the information furnished me by a Department official, to the effect that Tennessee tobacco growers were in favor of it, I told the Senator that I would join in sponsorship of the amendment, or in supporting the amendment.

Later I learned, as the distinguished Senator knows, that in Tennessee the tobacco growers are not in favor of this amendment. My mind goes back to a meeting 2 or 3 years ago at Nashville, where the burley tobacco growers, large and small, held a meeting and strongly supported the 1-acre minimum. That is their position now. As stated in Mr. Flannagan's telegram, this is a very vital matter to the tobacco industry. The small nine-tenths of an acre allotment is of tremendous importance to the small tobacco farmers, of whom we have 57,000 in Tennessee. I believe figures show that out of 80,000 allotments in Tennessee, 57,000 are of 1 acre or less. This question involves their very existence.

The main point is that in connection with this bill they have not had an opportunity to be heard. The bill has not dealt directly with them. It is rather collateral to the matter of the tobacco allotment problem. The small growers are not going to be satisfied with any change in the allotment unless they have an opportunity for a hearing. It is a matter of great importance to them. The tobacco amendment has not been considered by the committee.

Does not the distinguished Senator believe that in fairness to the small growers, and in view of the division which apparently exists among those interested in burley tobacco, it would be only fair for them to have an opportunity to present their side of the case before any decision is made?

I may say to the distinguished Senator that I have been informed by Mr. Duncan, who is in the city today, and who is head of the Tobacco Marketing Association in Tennesse, that there is to be a meeting in Tennessee, and later, I believe, a general meeting, to consider the whole tobacco program. Would it not be better to let the opinion of the burley tobacco producers crystalize at that meeting, after discussing the matter back and forth, and let them have an opportunity to come before the Committee on Agriculture and Forestry of the Senate and the Committee on Agriculture of the House, particularly in connection with this question, rather than bring it up in an amendment to the pending bill? I know that a great deal of distress, commotion, and hard feelings will be generated among the small growers if this question is handled in this fashion.

Mr. CHAPMAN. In regard to the Senator's suggestion, I believe that nearly all of those who are thoroughly conversant with this subject, who have lived with it, and who know its history, and are hopeful and prayerful that this program may continue to serve and benefit the tobacco growers, large and small, are firmly of the belief that if action is postponed too long the end of the tobacco program is imminent.

The Senator knows that I have been closely associated with this movement. During wartime, when all-out production was called for, I presented to the Senate committee this exemption amendment. It became a law. However, I believe that within a very few years there will be no tobacco program—burley, flue-cured, dark air-cured, or fire-cured—if this amendment is not adopted. It has been a live subject. It has been discussed ever since former Secretary of Agriculture ANDERSON sent his message here asking for repeal of all of these exemptions.

As to the small growers, the Senator referred to the fact that there are 57,000 exempt growers in Tennessee. We have in Kentucky 57,476 growers exempt in 1949, but they have vision enough to recognize their danger, and I believe they want to save the program and save themselves from return to bankruptcy and economic ruin.

Mr. McKELLAR. Mr. President——

Mr. CHAPMAN. Let me finish my answer.

In addition to what I said, the average burley tobacco acreage in the United States is 1.6 acres, but the average family acreage is 1 acre. More burley tobacco is raised by tenant farmers who raise 1 or 2 acres on a 50–50 basis, than is raised by all the other producers. In my State alone there are more than 100,000 tenant farmers who have small acreages. Let me give an example. A widow on one side of the fence has an allotment of 1.8 acres. That is divided half and half between her and her tenant. They are not exempted. On the other side of the fence there is a man who owns his own land. In many instances such growers are not historically and traditionally tobacco growers. This man has an allotment of nine-tenths of an acre, and he is exempted. By the methods of cultivation which were referred to in the colloquy between the distinguished author of the bill and me on Monday, this man is now producing nearly twice the yield which he produced only a few years ago. He is absolutely in the position of a man who milks his neighbor's cow through a fence. The widow and the tenant must suffer a reduction every time. The other man is exempt.

Yesterday a man told me, "I have four tenants. I know that one of them must go, because there is likely to be another 20-percent cut." Another man said to me, "I have an old darkey working for me. His father worked for my grandfather. He has worked for my father and me. I shall have to find something else for him to do. He cannot raise his tobacco crop, because I probably am to be cut 20 percent. There are more small growers in Kentucky, which produces 70 percent of all the burley tobacco, than there are in any other State. When you add the 57,476 exempt growers and the more than a hundred thousand tenants with small crops, your number of small producers far exceed those in any other State.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. McKELLAR. Was a single small grower invited to appear before a committee of either House to testify as to this amendment before it was submitted?

Mr. CHAPMAN. I do not think there was a hearing on this specific amendment.

Mr. McKELLAR. Can the Senator name a single one?

Mr. CHAPMAN. In the hearing to which the Senator referred, before the Senate Committee on Agriculture and Forestry during the Eightieth Congress, they were ably represented by men who had their interests at heart, and who have served them faithfully for many years. So far as my State is concerned, the tobacco growers are well informed. I have full confidence that they want to save the program, and that they think that this amendment is necessary to save it.

Mr. McKELLAR. That does not answer the question at all. I ask the Senator if a single one of the small farmers, producing on nine-tenths of an acre, has been invited to appear before a committee of either House to testify with respect to this amendment.

Mr. CHAPMAN. I cannot answer the Senator's question, but I have telegrams from tenants and other small growers, who urge this amendment as the only solution of the problem.

Mr. McKELLAR. Will the Senator place them in the RECORD?

Mr. CHAPMAN. I shall be glad to place them in the RECORD. Here are two samples:

SHELBYVILLE, KY., *October 4, 1949.*

Hon. VIRGIL M. CHAPMAN,
Member United States Senate,
Washington, D. C.:

There should be no distinction between large and small tobacco growers in acreage allotments because all benefit equally. There should be no exemption from the application of the quota law.

Any legislation preventing or reducing such discrimination is highly desirable and I

therefore, appreciate and approve the Chapman-Withers amendments.

OWEN C. FLOOD,
Tenant Farmer, Port Royal, Ky.

SHELBYVILLE, KY., *October 4, 1949.*
Senator VIRGIL CHAPMAN,
United States Senate, Washington, D. C.:
Please push your amendment to the Anderson bill. A tenant.

THOS. R. WILSON.

I could include many more.

Mr. McKELLAR. My information from Tennessee is that they were astonished beyond measure that this amendment was submitted by the Senator from Kentucky without their knowledge and despite the fact that all tobacco growers were satisfied with the present law, as they had testified before the committee of which the Senator from Vermont [Mr. AIKEN] was chairman. I am wondering what the 87,000 small growers of Kentucky are going to say.

Mr. CHAPMAN. I have stated that there are 57,476 exempted growers, and more than that number of tenants, who also belong in the class of small growers. A great many of the exempted acreages are operated by persons who are not traditionally tobacco growers. They are merchants, lawyers, school teachers, and people in various walks of life. Because of the high price of tobacco they have planted their back yards and vegetable gardens in tobacco. Their acreage cannot be reduced. On the other side of the fence are growers such as the widow to whom I referred, with an allotment of 1.8 acres which she divides 50–50 with her tenant. The widow and tenant must suffer the reduction. The nontraditional tobacco grower is exempt.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. McKELLAR. I have been in every county in my State where tobacco is produced, and I have never seen tobacco grown in gardens, or anything of the kind.

Mr. CHAPMAN. A great deal of it is grown in gardens.

Mr. McKELLAR. This proposal is brought before the Senate by those who are interested in producing large quantities of tobacco. They want to avoid the expected losses to which the Senator has referred. I doubt if the losses ever occur. The tobacco business is in fine shape. I want it to remain in fine shape.

My State is intensely interested in this subject. There are 57,000 small families in the hills of Tennessee who are producing tobacco. It is their one money crop. The Senator's amendment would in 5 years take away practically one-half of it, or a little more than 40 percent.

Mr. CHAPMAN. Mr. President, if the amendment which I have offered on behalf of myself, the Senator from Kentucky [Mr. WITHERS] and the Senator from Missouri [Mr. KEM], is not adopted soon, there will not be any program in 5 years.

Mr. McKELLAR. That is only a guess.

Mr. CHAPMAN. So is the Senator's statement a guess. In my opinion, also, the ones who would suffer most by the dissolution of this great program would be the every exempt growers to whom I have referred, 57,476 of whom I represent; and the Senator from Tennessee says he represents approximately the same number of exempt growers. Moreover, the more than 100,000 tenants whom I also represent would suffer, because the big farmers do not have to raise tobacco. They can raise livestock, grain, hay, and various other crops; in fact, the congressional district which I represented for more than 20 years, and which has more tobacco tenant farmers in it than has any other congressional district in the United States, would probably have been better off, in the long run, through all the years, if it had never seen a leaf of burley tobacco. But the small farmer who depends upon this crop is the one for whom I am speaking. If this program collapses, that man will lose a fair price for his tobacco, which is his hope for comfort and prosperity, and is what he relies on to bring him money with which to buy food, clothing, and shoes for his children, so they can go to school and grow into strong sturdy, young Americans.

Mr. McKELLAR. I say to the Senator that the 57,000 in my State, who are small growers producing tobacco on less than five-tenths of an acre of land, do not feel that this amendment is in their interest.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. FERGUSON. I should like to put a hypothetical question to the Senator from Kentucky, in connection with his amendment: Suppose a farmer has 100 acres of land planted in burley tobacco, under an allotment this year. Would the amendment require a reduction of only one-tenth of an acre below that allotment, or to 99.9 acres?

Mr. CHAPMAN. In reply to the Senator from Michigan let me say that, to begin with, very few burley tobacco growers, if any, have a 100-acre allotment. The average allotment throughout the entire United States is 1.6 acres, and the average family allotment is 1 acre. If another 20-percent cut is made this year, the result will be to cut by 20 percent the allotment of the grower to whom the Senator from Michigan refers.

Mr. FERGUSON. In reading the language of the Senator's amendment, I wonder whether the amendment allows a cut of only one-tenth of an acre.

Mr. CHAPMAN. No; it would allow a 20-percent cut in the case the Senator has mentioned. But according to the Department of Agriculture, it would produce only a 13 percent over-all cut, because of the large number of exempted growers, whose allotments would not be cut. This amendment would make the cut, in the case of the exempted growers, only one-tenth of an acre a year. The amendment does not apply to anyone who has an allotment of over nine-tenths of an acre.

Mr. FERGUSON. This amendment is not intended to cover any grower having an allotment of an acre or less?

Mr. CHAPMAN. An allotment of nine-tenths of an acre or less could not be reduced more than one-tenth of an acre in any 1 year, and could never be reduced to less than one-half acre.

Mr. FERGUSON. Does the amendment say that?

Mr. CHAPMAN. It does.

Mr. FERGUSON. Let me read it to the Senator, so that we may see whether that is true.

Mr. CHAPMAN. Yes; that is true.

Mr. FERGUSON. The amendment reads as follows:

> Notwithstanding any other provision of law, any reduction made in farm marketing quotas or acreage allotments for any kind of tobacco because of a reduction from the last established national marketing quota or State acreage allotments shall be applied to all farms, except that any farm acreage allotment for burley tobacco established pursuant to Public Law 276, Seventy-eighth Congress, as amended by Public Law 302, Seventy-ninth Congress—

Mr. CHAPMAN. That is the nine-tenths provision.

Mr. FERGUSON. I continue to read the amendment—

> shall not be reduced for any year by more than one-tenth of an acre below the allotment last established for the farm—

Mr. CHAPMAN. The statutes there referred to are the ones relating to the nine-tenths of an acre exemption.

Mr. FERGUSON. So those statutes provide that they apply only to allotments of nine-tenths of an acre or less. Is that correct?

Mr. CHAPMAN. That is correct. I stated that before the Senator from Michigan entered the Chamber.

Mr. FERGUSON. The remainder of the amendment reads as follows:

> and no reduction shall be made in any burley allotment of five-tenths of an acre or less. This provision shall become effective for the 1950 crop.

Mr. CHAPMAN. That is correct.

Mr. FERGUSON. In other words, in cases of allotments of five-tenths of an acre or less, no reduction at all will be made. Is that correct?

Mr. CHAPMAN. Yes. A grower who has an allotment of five-tenths of an acre now, will produce nearly as much tobacco on that amount of land as he produced a few years ago on a full acre of land.

Mr. McKELLAR. Mr. President, that is only a guess.

Mr. CHAPMAN. Oh, no; I have the figures to show it.

Mr. McKELLAR. When it comes to crop production, all figures are the same.

Mr. CHAPMAN. In the period from 1934 to 1938, the average yield per acre——

Mr. DONNELL. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. DONNELL. We are absolutely unable to distinguish what is going on in the Senate Chamber. The noise is such as to make it impossible for us to know what is proceeding. I most earnestly request that Senators be admonished to make it possible for us at least to know what is going on.

The PRESIDING OFFICER. The Senate will please be in order. Senators, other than the Senator who has the floor, will please be seated.

Mr. CHAPMAN. Mr. President, I should like to say a word or two in further response to the senior Senator from Tennessee. He says we do not know about production. We do know this, that to go no further back than the period 1934–38, the average burley yield per acre was 619 pounds. We know that in the year 1948 the average production was 1,396 pounds per acre. The Department of Agriculture has estimated officially that for the year 1949, when the crop is weighed, it will be 1,308 pounds per acre. That is because of the development and use of disease-resisting plants. It is because of the use of fertilizer, and because of the close planting of tobacco. It is merely a part of what we have learned in this country about how to increase production. The anticipated diminution in 1949 is due to a less-productive type of growing weather than we had in 1948.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield to the distinguished junior Senator from North Carolina.

Mr. GRAHAM. In view of the fact that there is confusion in regard to the facts in the case——

Mr. CHAPMAN. I do not think there is confusion. I do not agree with the Senator about that.

Mr. GRAHAM. At least the small growers feel they have not had a hearing. I ask the Senator, what is the objection to having a hearing on his amendment the first week in January, giving notice now of a hearing to be held at that time?

Mr. CHAPMAN. I may say to the Senator that I am fearful for the whole program if this amendment is not made a part of the pending bill. I voice the sentiment and belief of not only a large majority of the best thinkers on the subject of burley tobacco, the men who know it best, not only growers, but also the tobacco officials of the Department of Agriculture, who are administering the program.

Mr. McKELLAR. Mr. President, I inquire why is it they have not been before the Houses of Congress?

Mr. CHAPMAN. They have been on many phases of the tobacco program.

Mr. McKELLAR. Why have they not appeared before the committees?

Mr. CHAPMAN. They have, but this subject has not been an issue in connection with this bill until now.

Mr. McKELLAR. Why have they not testified to the facts? Why is an amendment of this kind proposed at the last moment, without any hearings having been held at all, without conferring at all with the Senate, and without conferring at all with the House? There is no budget estimate for the amendment.

Mr. CHAPMAN. It involves no cost.

Mr. McKELLAR. Oh, yes; it involves cost.

Mr. CHAPMAN. There is nothing in the amendment affecting the budget. There is no cost attached to it. The tobacco price-support program has never cost the United States Treasury a penny and tobacco products pay large sums into the Treasury in taxes.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CHAPMAN. Will the Senator from Missouri permit me to finish answering the question of the Senator from Tennessee?

Mr. DONNELL. Certainly.

Mr. CHAPMAN. Mr. President, the distinguished author of the bill, when he was serving our country so ably as Secretary of Agriculture, with his accustomed wisdom and foresight asked the Congress in April 1947, the year of the first 20-percent cut, to repeal all exemptions in order to save the program. Later, in December 1947, his Under Secretary, Mr. N. E. Dodd, as the Acting Secretary, sent a similar message, urging such action by the Congress. It has been discussed in tobacco circles ever since.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I am confident the life of this great program depends on the adoption of the amendment. I again yield to the able Senator from Tennessee.

Mr. McKELLAR. The Senator from New Mexico, the former splendid head of the Department of Agriculture, did not testify on it. He did not come to testify on it, at all. His committee did not report the amendment. Why was it not reported, if it is so important? The first time anything was heard of it by the committee was when the Senator offered the amendment, which I believe was last week. The first I knew about it was yesterday morning, when I was informed by the Representative from one of the tobacco-growing districts of Tennessee that he had been informed of what was on foot.

Mr. DONNELL and Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield; and if so, to whom?

Mr. CHAPMAN. If I may, I shall first answer the distinguished Senator from Tennessee. The distinguished former Secretary of Agriculture is present and can speak for himself. But on Tuesday evening he said in the Senate, in so many words, that it is a good amendment, a step in the right direction. Of course, the distinguished Senator from New Mexico is present and can speak for himself, as he has already spoken.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. DONNELL. There are some of us who are not so familiar with the subject matter as is the distinguished Senator from Kentucky, and we are somewhat puzzled about it. As I understand the distinguished senior Senator from Tennessee—I am not certain as to the position of the junior Senator from Tennessee, because I was not fortunate enough to hear him speak on the subject—is apprehensive of the amendment, because he thinks it will injure the small tobacco farmer. Am I correct in that understanding?

Mr. McKELLAR. The Senator is absolutely correct. As I recall, the small farmer, on nine-tenths of an acre, ordinarily makes about $500 or $600. It is his money crop. It is the crop from which he gets actual cash, because tobacco is salable. It is sold and he gets a return. It is from the small grower that it is sought to take at least 40 percent of his $600; $240 will be taken away from him if the amendment is agreed to. It should not be done.

Mr. DONNELL. May I finish the question?

Mr. CHAPMAN. Yes.

Mr. DONNELL. I appreciate the statement of the Senator from Tennessee. I understood that was his apprehension. At least I inferred from a statement he had informally made to me on the Senate floor that he was apprehensive for that reason. But now, as I read the amendment, I am puzzled as to the theory of it, and as to what it is designed to accomplish. As I read the amendment, it sounds to me as though it were designed to act as a restriction on the amount of reductions that can be made. In the case of a small farmer, the way it reads, at any rate, it sounds to me as though the intent were to say that his allotment cannot be cut down more than a certain amount.

Mr. CHAPMAN. That is correct.

Mr. DONNELL. I would, therefore, draw the prima facie conclusion that the purpose of the amendment, whether it is effected or not, is the protection of the small grower, by restricting the amount of his production that he could be compelled to give up.

Mr. CHAPMAN. The distinguished Senator from Missouri is correct.

Mr. DONNELL. On the other hand, I am quite apprehensive whether I have understood it correctly, by reason of the sincerity, experience, and knowledge of my distinguished friend from Tennessee, who takes the view, as I understand, that instead of being designed to help the small farmer and to restrict the amount by which his crop or his acreage may be reduced, it is a design by which there may be injury to him, by increasing or at least stating in the statute, the percentage that can be taken away from him.

If I may inquire, I should like to know which one of those theories of the amendment is correct, so that I may know something about whether it is designed to help or is designed to hurt the small farmer; and, in the second place, whether its effect would be to help him or to hurt him.

Mr. CHAPMAN. Mr. President, I have undertaken, probably before the Senator entered the Chamber, to show that, in my opinion and in the opinion of the officials who administer the program, both representatives of the growers and the Department of Agriculture, there is serious danger of the entire program collapsing if it continues as it now is. For example, if the 20-percent cut contemplated is made this year it will be, as I said a while ago, only an over-all cut of 13 percent, because 55 percent of the tobacco growers are already in the exempted class. A 20-percent cut this year would leave 65 percent in the exempted

class. Another cut, which is in prospect for the following year because of the increased yield per acre of which we have spoken today, would reduce the group supporting this program, carrying all the load, to 25 percent or less of all the tobacco growers. That is unjust, I submit.

Mr. DONNELL. Mr. President, I am a little confused, because I do not understand what the Senator means by the term "to cut." Is he talking about a cut in acreage?

Mr. CHAPMAN. It has to be; yes.

Mr. DONNELL. What is it?

Mr. CHAPMAN. It is where the Department of Agriculture, in compliance with the statutory formula, is required to reduce acreage. It was cut in 1947, by 20 percent, and it is contemplated this year to cut it by 20 percent.

Mr. DONNELL. Then, is that the purpose of the Senator's amendment?

Mr. CHAPMAN. No, that is already the law.

Mr. DONNELL. I understand.

Mr. CHAPMAN. The purpose of the amendment is to provide that the grower who is now exempt because he does not have an allotment of more than nine-tenths of an acre, may be cut no more than one-tenth of an acre a year, while the other growers can be cut 20 percent.

Mr. DONNELL. If the Senator's amendment does not go into effect, how much of a cut will result to the grower whom the amendment provides can be cut only one-tenth of an acre?

Mr. CHAPMAN. He cannot be cut at all, now. The result is that a minority of producers are carrying the entire burden of the program. It does not apply to any other type of tobacco or any other crop, and it is obviously unjust. The injustice may result in a dissolution of the entire program, if it is not corrected.

So far as the Senator's State is concerned, there is a much smaller proportion of exempted acreage in Missouri than in any other State in the Union. The total allotment in Missouri in 1949 amounts to 5,673 acres. The farmers in Missouri, in that section of the State in which burley tobacco is produced, raise some of the finest tobacco in the United States. There is a splendid market at Weston, Mo., and trucks bring a large amount to Lexington, Ky., for sale at that great marketing center. The total acreage exempted in 1949 is 566 acres. So the State of Missouri has a larger proportion of nonexempt acreage than has any other State in the Union.

Mr. DONNELL. I have here a telegraphic message from W. B. Hull saying:

> May I urge you to support the Chapman amendment which provides for the present tobacco acreage provisions.

I also have a telegraphic message from H. E. Slusher, saying:

> Hope you can support tobacco allotment amendment limiting reductions on nine-tenths-acre allotments, with a minimum allotment of one-half acre. Senator KEM agreeable to amendment.

Mr. Slusher is president of the Missouri Farm Bureau Federation.

Mr. CHAPMAN. I appreciate that observation by the Senator. I knew that the Missouri Farm Bureau Federation and also the burley tobacco organization in Missouri are strongly in favor of the amendment.

Mr. DONNELL. I am not yet entirely clear on the amendment, but I shall subside for the moment.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. GRAHAM. How will the bill, as a basis for a meeting of minds, destroy the program in view of the fact that Congress will meet in the first week in January?

Mr. CHAPMAN. In the meantime there will be another cut, and every time there is a cut the base on which the program rests is reduced. A burley referendum is to be held this fall. Men who have been interested in the program and who have contributed most to its success have told me within the past 24 hours that all that would be required to cause a possible dissolution of the program at the end of this year would be for some powerful and plausible leaders to rise and campaign effectively against the continuance of the program. I am saying that there is injustice in the program as it is now operating, with a majority of all growers milking their neighbor's cows through the fence. As I said in the beginning, that is the kind of thing which will bring a collapse of the program. It is human nature, and human nature does not change.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. McKELLAR. If there is such danger imminent, why have not the persons who said they were perfectly satisfied with the law offered testimony before the committee. In 1948 they said they were perfectly satisfied with the law. If they have changed their minds, why did they not be fair with the Congress and come before the committee and testify to that fact? Why is this amendment offered at the last moment, when the Congress is about to adjourn, without the slightest evidence being offered to the Congress in connection with it? There is not a tobacco man in Tennessee who has said to me that it would be ruinous to the 57,000 little tobacco growers.

Mr. CHAPMAN. Mr. President, when the hearing was held before the Senate Committee on Agriculture and Forestry in 1948, when the Aiken bill was the subject of discussion, this question was not in issue and not a man who testified expressed approval of it. The Senator from Tennessee is a venerable political warrior, a battle-scarred and victorious gladiator through more than a generation of political battles. He was born in a party camp, grew to manhood and has spent his life on a succession of political battlefields. He knows that issues do not become acute a year before an election. He knows that, as a referendum approaches, those men whose hearts are in the tobacco program, who have labored and striven to make it a success, as they hear from Washington that they are threatened with another cut of 20 percent, realize that something must be done. The information has only recently come from officials of the Tobacco Section of the Department of Agriculture that a further 20-percent cut is probably imminent. Issues do not become intense, people do not get warmly interested in a campaign, until the last weeks of the campaign. We are now face to face with the effort of carrying this referendum again. We want to carry it more than 100 to 1, as did the growers of flue-cured leaf in North Carolina. We have built this program together, we have risen together, and we want to stand together. If the burley program goes down, as many distinguished farm leaders have said to me on the telephone and in person within the past 2 days, the other programs will go down with it. That will mean the wreck of not only the burley, but also the flue-cured, the fire-cured, and dark air-cured programs.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CHAPMAN. I yield.

Mr. ANDERSON. If there is any way in which we can terminate this discussion and come to an issue, I should appreciate it. We have spent nearly an hour on this amendment.

Mr. CHAPMAN. I have been ready for a long time. I yield the floor.

Mr. KEFAUVER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Miller
Anderson	Holland	Millikin
Bricker	Humphrey	Morse
Bridges	Hunt	Mundt
Butler	Ives	Murray
Byrd	Johnson, Colo.	Myers
Cain	Johnson, Tex.	Neely
Capehart	Johnston, S. C.	O'Conor
Chapman	Kefauver	O'Mahoney
Chavez	Kem	Pepper
Connally	Kerr	Robertson
Cordon	Kilgore	Russell
Donnell	Knowland	Saltonstall
Douglas	Langer	Schoeppel
Downey	Leahy	Smith, Maine
Eastland	Lodge	Stennis
Ecton	Long	Taylor
Ferguson	Lucas	Thomas, Okla.
Fulbright	McCarthy	Thomas, Utah
George	McClellan	Thye
Graham	McFarland	Watkins
Green	McKellar	Wherry
Gurney	McMahon	Wiley
Hayden	Magnuson	Williams
Hendrickson	Malone	Young
Hickenlooper	Martin	
Hill	Maybank	

The PRESIDING OFFICER. A quorum is present.

Mr. McKELLAR. Mr. President, I shall take only a few moments in making a statement about the Chapman amendment.

I am indeed sorry I cannot agree with the Senator from Kentucky in his amendment. The amendment is as follows:

> Section 409 of title IV of the bill is amended by adding a new subsection (F) as follows:
>
> "(F) Notwithstanding any other provision of law, any reduction made in farm marketing quotas or acreage allotments for any kind of tobacco because of a reduction from the last established national marketing quota or State acreage allotments shall be applied to

all farms, except that any farm acreage allotment for burley tobacco established pursuant to Public Law 276, Seventy-eighth Congress, as amended by Public Law 302, Seventy-ninth Congress, shall not be reduced for any year by more than one-tenth of an acre below the allotment last established for the farm and no reduction shall be made in any burley allotment of five-tenths of an acre or less. This provision shall become effective for the 1950 crop."

Mr. President, according to the latest information we have from the Department of Agriculture, Tennessee has 80,789 farmers with burley tobacco acreage allotments. The total allotment for Tennessee is only 89,994.

Under the present law 57,580 farmers have nine-tenths of an acre or less planted in tobacco. These small tobacco farmers are now protected by law, and they ought to be protected by law. Think of a farmer being told by law that he cannot plant in tobacco more than nine-tenths of an acre. Surely that is a restriction which ought not to be added to. We ought not to make it harder on such a farmer. So far as I can find out, the farmers with large acreage in burley tobacco and the farmers with small acreage in burley tobacco in my State and in Kentucky—and the fight is between the large tobacco growers and the small tobacco growers—were satisfied with this law and prospered remarkably under it. The large tobacco growers have grown rich under it. The small farmers, the nine-tenths of an acre tobacco growers, have raised enough for Christmas money, and that is about all the cash money they have to spend.

The purpose of the amendment is to allow the department to cut down the quota. I digress to say that this is not a quota bill. I do not know whether the amendment is subject to a point of order or not. The bill is a price bill. And here we have an amendment offered to a price bill, without any hearing having been had on it, without any evidence having been introduced with respect to it, without any discussion of it except in the last few days, without any hearings at all being had on it. Yet it is sought by the amendment to put the burden of future cuts on the nine-tenths-of-an-acre farmer. I do not believe any Senator in this body feels that to be right. A farmer may own 50 or 100 acres, yet under the present law he is allowed to plant only nine-tenths of an acre in tobacco. Surely all that should be done by law in that regard has been done in order to hold up prices.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. FERGUSON. As I understand the Senator, there are many thousands of small farmers with nine-tenths of an acre or less in tobacco.

Mr. McKELLAR. Yes.

Mr. FERGUSON. Has the Senator any idea what the cost to those farmers really would be if the quota system were placed upon them and they were required to cut their production one-tenth of an acre?

Mr. McKELLAR. The cost to them would be considerable. No one knows what the cost would be. My distinguished friend, the Senator from Kentucky, presented the matter in such a smiling way that seemingly nobody could object to his proposal, but, as a matter of fact, he said the question of money did not cut any figure. If we adopt the amendment the Senator from Michigan knows, since he is a member of the Appropriations Committee, that we will have a request from the Department for a large appropriation to regulate the nine-tenths of an acre tobacco farmers. A larger appropriation will be required in order to regulate production.

Mr. CHAPMAN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAPMAN. I am assured by the Department officials who administer this program that the adoption of the amendment would not result in a penny of cost.

Mr. McKELLAR. I do not know about that. They have not testified on the subject. Surely they ought to be allowed to testify about it. I will say to the Senator that I shall seek to summon, or have the committee summon these gentlemen before the committee in order to get their views on the subject. There have been no hearings held on that matter. Is that fair? When the last hearing on the tobacco subject was held witnesses testified they were satisfied with the law as it then was. The Senator from Kentucky made a statement to the committee then. There was no suggestion made that the poor farmers producing less than nine-tenths of an acre should be cut in their acreage.

Mr. President, I hate to take any further time on this subject. I cannot imagine how any Senator would vote to prohibit a farmer from planting nine-tenths of an acre of tobacco. I cannot imagine that any Senator would vote for a reduction in that amount of acreage. That would be simply monstrous.

The Senator from Kentucky says there are small tobacco growers in Kentucky, and that is true. They are not in favor of this proposal, however. The small tobacco growers in Tennessee and Kentucky are all opposed to it, and naturally so. The law prohibits the farmers in the district of Tennessee where burley tobacco is raised from raising more than nine-tenths of an acre of tobacco. The Senator from Kentucky is undertaking to have the Senate write into the bill, which is a price bill, a quota provision. He wants the Senate to take such action without any evidence on the subject, without any witnesses having testified about the matter. The Senator from Kentucky did not even appear before the committee and testify on this particular matter. There were no hearings on this particular subject. I have had that matter looked up, and it was found no hearings were held.

Mr. President, it is proposed to put the burden which it is feared may be placed on the big farmer, also on the small producer. The big farmers have been tremendously prosperous under the present law. The small farmers have been only very moderately prosperous. They cannot be more than moderately prosperous because they cannot raise more than about 500 pounds on nine-tenths of an acre. That is really about as much as they can raise. Yet it is proposed to cut that almost in two. The Senator, by his amendment, wants to reduce it to half an acre. It is unthinkable that this body would do anything of the sort. I simply cannot believe it will do so.

Mr. President, occasionally I lobby with other Senators for matters in which I am interested. I have not lobbied about this matter because it is simply unthinkable to me that any Senator would want to take away from the small farmer the right to plant tobacco on nine-tenths of an acre of his land.

Mr. President, if the amendment is adopted it will mean that nearly 60,000 small Tennessee tobacco growers will be deprived of one-half, or nearly one-half, of their present very small acreage. To these small farmers it is their principal money crop. It gives them their Christmas money. If they receive $100 under the present law, the cut represented by the amendment would reduce it to $60. If they receive $500, the amount could be reduced nearly one-half.

My friend the Senator from Kentucky says the whole program will be in danger unless this reduction is made on the small tobacco grower. He says unless the reduction is made the whole plan will be in jeopardy. Is it not remarkable, if the whole tobacco program, which has been a success up to now, and which witnesses have testified has been a success, should be in jeopardy, that witnesses have not come before the committee and testified to that effect? Would they not come before the committees and testify about it? Of course they would.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. ROBERTSON. I merely wish to say, in connection with the last statement, that the burley growers of Virginia do not think they will be in any jeopardy if the Chapman amendment is not adopted. They say that if that amendment is adopted all small growers will be in jeopardy. They feel that it would be very unfair to the small growers.

Mr. McKELLAR. I thank the Senator for his comment. I think he is entirely correct.

Mr. President, the Congress has heretofore established the rule that the allotment shall be not less than nine-tenths of an acre, a small amount indeed. My friend the Senator from Kentucky [Mr. CHAPMAN] says that the whole plan will be endangered unless this reduction is made on the small tobacco grower. I think he is entirely mistaken. He is becoming scared too quickly. I thought he would not be afraid. The large tobacco growers have enjoyed the greatest prosperity. Why does he want to change the law at the last moment, without any hearings? The law has worked well. I hope the Senate will not agree to the amendment. The law has been in effect

for several years, and the large tobacco growers have been very prosperous.

This is a fight between the large growers and the many small growers of tobacco. I hope Senators will not aline themselves with the large growers. The tobacco growers of my State are overwhelmingly against this reduction. I hope the Senate will not force them to take a cut. With all the earnestness with which I am capable, I urge Senators not to cast their votes against the small tobacco growers in Kentucky, Tennessee, and other States where burley tobacco is raised.

My friend the Senator from Kentucky says that all growers ought to be treated alike. That sounds very fine, but we cannot treat them all alike. If we treated them all alike it would not be necessary to have any law. If every man could take what he pleased, we would be without jobs. That is not right. This is not the time to make a change in the law. The change ought to be postponed until there is opportunity for hearing.

Mr. President, I ask Senators not to vote for this amendment, but to defeat it, and let us have a hearing on the subject in January. If there is any danger it can be brought out then.

Mr. President, I ask to have inserted in the RECORD, as a part of my remarks, certain figures, together with a statement with reference to the amendment offered by the Senator from Kentucky [Mr. CHAPMAN] and other Senators.

There being no objection, the matters were ordered printed in the RECORD, as follows:

New burley tobacco allotment data

State	1948		1949	
	Number of farms	Acreage	Number of farms	Acreage
Alabama	2	3	3	4.3
Arkansas	3	2	6	4.2
Georgia	12	14	22	19.1
Illinois	1	1	1	.5
Indiana	87	42	119	55.1
Kansas	6	17	5	12.1
Kentucky	1,680	1,091	2,370	1,172.4
Missouri	46	38	28	23.2
North Carolina	290	94	540	154.6
Ohio	213	108	193	73.0
Oklahoma				
Pennsylvania	1	1	1	1.0
South Carolina	3	1	1	.5
Tennessee	1,351	640	1,711	658.1
Virginia	158	48	233	93.5
West Virginia	54	26	44	18.4
Total	3,907	2,126	5,277	2,290.0

1947 burley allotment data—Jan. 14, 1948

State	All burley farms		Burley farms over 1 acre		1 acre, number of burley farms having exactly 1 acre allotment	Burley farms 0.9 acre or less		Burley farms 0.5 acre or less	
	Number of farms having burley allotments	Total acreage allotted to all burley farms	Burley farms having burley allotments over 1 acre	Total acreage allotted to all burley farms having over 1 acre allotment		Number of burley farms having allotments of 0.9 acre or less	Total acreage allotted to burley farms having allotment of 0.9 acre or less	Number of burley farms having allotment of 0.5 acre or less	Total acreage allotted to all burley farms having allotments of 0.5 acre or less
Alabama	59	107	22	74	11	26	22	2	1
Arkansas	91	105	31	64	6	54	35	18	6
Georgia	122	102	4	11	10	108	81	25	8
Illinois	45	41	8	11	3	34	27	10	4
Indiana	9,365	12,110	3,812	7,944	268	5,285	3,898	1,262	411
Kansas	111	367	90	348	5	16	14	0	0
Kentucky	138,959	311,956	77,039	262,492	8,494	53,426	40,970	10,537	4,253
Missouri	2,189	5,944	1,398	5,375	64	727	505	226	81
North Carolina	14,790	12,834	2,622	4,649	417	11,751	7,768	4,002	1,038
Ohio	10,945	15,644	4,888	10,900	230	5,827	4,514	1,071	366
Oklahoma	1	5	1	5	0	0	0	0	0
Pennsylvania	4	7	4	7	0	0	0	0	0
South Carolina	17	15	1	4	1	15	10	5	2
Tennessee	80,789	89,994	18,272	41,470	4,937	57,580	43,587	11,959	4,403
Virginia	14,748	15,015	3,703	6,768	606	10,439	7,641	2,446	778
West Virginia	4,033	4,344	1,228	2,080	151	2,654	2,113	427	168
Total	276,268	468,590	113,123	342,202	15,203	147,942	111,185	31,990	11,519

Rounded to nearest acre.

STATEMENT BY SENATOR M'KELLAR

Mr. President, I am indeed sorry that I cannot agree with my friend VIRGIL CHAPMAN on his amendment. The amendment is as follows:

"Notwithstanding any other provision of law any reduction made in farm marketing quotas or acreage allotments for any kind of tobacco because of a reduction from the last established national marketing quota or State acreage allotment shall be applied to all farms except that any farm acreage allotment for burley tobacco established pursuant to Public Law 726, Seventy-eighth Congress, as amended by Public Law 302, Seventy-ninth Congress, shall not be reduced for any year by more than one-tenth of an acre below the allotment last established for the farm and no reduction shall be made in any burley allotment of five-tenths of an acre or less. This provision shall become effective for the 1950 crop."

Mr. President, Tennessee, according to the latest information that we have from the Department of Agriculture has 80,789 farmers with burley tobacco acreage allotments. The total allotment for Tennessee is only 89,994. Under the present law there are 57,580 farmers who have nine-tenths of 1 acre or less planted in tobacco. These small tobacco farmers are now protected by law.

The amendment of Senator CHAPMAN is undertaking to have the Senate write in an amendment to the bill this morning reducing this minimum acreage allotment to five-tenths of an acre instead of nine-tenths of an acre. You can thus see how adversely this will affect Tennessee. It would mean that nearly 60,000 small Tennessee tobacco farmers would be deprived of nearly one-half of this very small acreage. To these small tobacco farmers it is their principal money crop. It gives their their Christmas money. Under the present law if they received $100 out of their tobacco crop, if this amendment is agreed to, it would cut out $40 from the $100.

The Congress has heretofore established the rule that their allotment should not be cut below nine-tenths of 1 acre—a small amount indeed.

My friend, Senator CHAPMAN, says that the whole plan will be in danger unless this reduction is made on the small tobacco grower. I think he is entirely mistaken. This law has been in effect for several years and the large tobacco growers have been very prosperous, and the small tobacco growers, numbering about 4 to 1 in my State to the larger growers, would virtually have nothing in the way of a money crop. The tobacco growers of my State are overwhelmingly against this cut. I hope the Senate will not force them to take this cut. I urge the Senate not to do so. My friend says that we ought to treat all alike. That sounds very reasonable but we ought to take conditions as they are. We ought not to deprive these small tobacco farmers of fruit of their labor which we would do to three-fourths of them if we allowed this cut to apply equally to all.

I want to present the figures together with letters from the Department and which show the facts.

MEMORANDUM TO SENATOR M'KELLAR FROM CONGRESSMAN GORE

Here are some of the facts I just stated to you over the telephone. Tennessee, according to the latest information I have from the Department of Agriculture, has 80,789 farmers with burley tobacco acreage allotments. The total allotment for Tennessee is only 89,994.

Fifty-seven thousand five hundred and eighty farmers have nine-tenths of an acre or less (mostly nine-tenths of an acre which is now protected by law).

Kentucky has 138,959 farmers with burley tobacco acreage allotments. Kentucky's total allotment amounts to 311,959 acres.

I was instrumental in securing enactment of a bill about 6 years ago which prohibited reduction of burley tobacco acreage allotments below a given minimum (the legal minimum is now nine-tenths of an acre).

Senator CHAPMAN is undertaking to have the Agriculture Committee write in an amendment to the bill this morning reducing this minimum acreage alotment to five-tenths of an acre. You can readily see how adversely this will affect Tennessee. It would mean that nearly 600,000 small Tennessee farms in which the little nine-tenths of tobacco crop is their Christmas money and maybe just about their only cash crop would

have their acreage allotments reduced. It has been my position, and I hope you will find yourself in agreement, that we should give some protection and premium to the small farm homestead, that the fellows with larger farms and larger tobacco acreage allotments could better stand the reduction in acreage allotments.

After all, the farmers with nine-tenths of an acre or less have less than one-fourth of the total acreage allotments anyway.

Unless something is done right away I fear the Agriculture Committee will approve it today.

UNITED STATES DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING ADMINISTRATION,
Washington, D. C., April 13, 1948.

Hon. ALBERT GORE,
House of Representatives.

DEAR MR. GORE: This is in reply to your letter of April 1, 1949, addressed to Mr. J. E. Thigpen, Director of our Tobacco Branch, concerning minimum burley tobacco acreage allotments.

Because of the continued excessive production of burley tobacco, we have been concerned over a satisfactory solution to the problem of minimum allotments. It has been our position for some time that the minimum allotment provisions should be eliminated if our burley tobacco program is to continue on a sound and reasonably satisfactory basis. For this reason, the Secretary on June 17, 1947, and again on December 8, 1947, requested the enactment of legislation which would eliminate minimum tobacco allotments. The attached letters addressed to the Speaker of the House contained our reasons for these requests. Similar letters were addressed to the President pro tempore of the Senate. Since these requests were transmitted to the Congress, the situation with respect to burley tobacco supply and production has become more acute and intensifies the seriousness of this problem. Briefly stated, burley crops have exceeded domestic requirements and exports for 5 of the past 6 years despite rather substantial reductions in acreage allotments, and supplies are now excessive. Continued production in excess of disappearance can only result in the accumulation of additional supplies and jeopardize continued success of the quota and loan programs. For example, the 1948 crop of burley tobacco amounted to about 600,000,000 pounds with demands from 10 to 15 percent less than this quantity. From this crop alone, nearly 100,000,000 pounds of burley tobacco were placed under price support loan. The total quantity of burley tobacco now under loan is approximately 150,000,000 pounds, farm-sales-weight basis.

Unless the 1949 crop of burley tobacco is substantially smaller than the 1948 crop the Secretary will be required to proclaim a marketing quota for 1950 which would result in material additional reduction in burley acreage allotments. Burley allotments in 1946 were reduced 10 percent and allotments for 1947 were reduced generally about 20 percent below 1946 allotments. Special legislative action permitted the reduction of the minimum allotments by 10 percent in 1946. When the larger allotments were reduced 20 percent in 1947 no reduction was imposed upon farms having minimum allotments. Of the total of 280,000 farms having burley tobacco allotments in 1949, about 157,000 now have immunity from any further reduction by having allotments of 0.9 acre or less. Thus, it may be observed that whatever additional adjustments in allotments become necessary these adjustments can be made only upon a minority of the farms now growing burley tobacco. With the sharp upward trend in yields per acre growers with minimum allotments are now producing and marketing substantially more burley tobacco than ever before whereas the farms having above minimum allotments are producing and marketing proportionately less burley than prior to the enactment of minimum allotment provisions. Continued reduction on farms having allotments above the minimum with immunity to the majority of the burley tobacco farms (that is, those farms having allotments of nine-tenths acre or less), results in inequities which endanger the burley marketing quota program. It is our firm belief that some solution to this question must be reached within the near future if the loan and quota programs are to be maintained.

The average acreage allotment per farm for all burley tobacco is approximately 1.6 acres. All tobacco production involves use of a great deal of hand labor, and the payment which producers get for their tobacco is primarily for the labor they put into producing it. The labor on farms having allotments above nine-tenths acre, barring differences of efficiency, is about the same per pound of tobacco as the labor on farms having smaller allotments.

In our judgment, the marketing quota and price-support operations are helpful to farmers having burley allotments of nine-tenths acre or less just as they are to farmers having larger allotments. Consequently, if periodic adjustment of allotments upward or downward is necessary, then it seems that growers with allotments of nine-tenths acre or less should be willing to participate in these adjustments. We believe the supply-demand situation for burley tobacco may become such if there is a good crop this year that downward adjustment of allotments may be urgently needed and that it is wise to consider modifying the minimum-allotment provisions so that the program can be carried forward on a sound basis and continue to be helpful to all tobacco growers.

Sincerely yours,

FRANK K. WOOLLEY,
Deputy Administrator.

Hon. JOSEPH W. MARTIN, Jr.,
Speaker, House of Representatives.

DEAR MR. SPEAKER: This Department recommends the enactment of legislation to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to minimum farm-acreage allotments and increases in small tobacco-acreage allotments.

Public Law 337, Seventy-sixth Congress, approved August 7, 1939 (63 Stat. 1261), provides, in part, that except for "new" tobacco farms or a farm operated, controlled, or directed by a person who also operates, controls, or directs another farm on which tobacco is produced, the farm-acreage allotment shall be increased by the smaller of (1) 20 percent of such allotment, or (2) the percentage by which the normal yield of such allotment is less than 3,200 pounds in the case of flue-cured tobacco, and 2,400 pounds in the case of other kinds of tobacco. This provision had the effect of superseding the minimum-quota provisions of subsection (b) of section 313 of the Agricultural Adjustment Act of 1938. The Department has understood this provision to require its application only with respect to the farm allotments established for the first marketing year in which quotas are applicable following the enactment of the provision. The provision has been applied in the case of each of the kinds of tobacco for which quotas are now in effect and is, therefore, considered as being no longer applicable.

Public Law 43, Seventy-eighth Congress, approved April 29, 1943 (57 Stat. 69), provides, in part, that the burley tobacco-acreage allotment which would otherwise be established for any farm having a burley acreage allotment in 1942 shall not be less than one-half acre. Public Law 276, Seventy-eighth Congress, approved March 31, 1944 (58 Stat. 136), provides, in part, that the burley tobacco-acreage allotment which would otherwise be established for any farm having a burley tobacco-acreage allotment in 1943 shall not be less than 1 acre or 25 percent of the cropland, whichever is the smaller.

The declared purpose of the Congress in providing for these minimum allotments was to increase the production of burley tobacco on those farms where additional tobacco could be produced without adversely affecting the production of essential food and fiber crops so vitally needed during the war. The Department interposed no objection to these minimum-acreage provisions, but we have always pointed out the danger of establishing minimums at too high a level, since tobacco acreages on most farms are small in relation to other crops and even on those farms producing larger acreages of tobacco, the acreage per family is small.

Public Law 302, Seventy-ninth Congress, approved February 19, 1946, 60 Stat. 21, authorized reduction of the 1946 national marketing quota and the State and farm acreage allotments for burley tobacco but provided that no farm acreage allotment of 1 acre or less could be reduced by more than 10 percent. Therefore, the allotments of nine-tenths acre or less established for small burley tobacco farms cannot be reduced in the future regardless of the extent of reductions in the national marketing quota and the resulting reductions in larger acreage allotments.

These minimum allotment provisions were beneficial to small burley growers during the war years but it is our opinion that the purposes for which the provisions were enacted have been accomplished. The production of burley tobacco has exceeded disappearance during each of the past 3 years, and a burdensome surplus has recently developed. All farm acreage allotments were reduced 10 percent in 1946. Allotments for 1947 were reduced generally about 20 percent below 1946 allotments, except that 1946 allotments of nine-tenths acre or less were not reduced in 1947. In 1947 there are approximately 276,000 farms having burley allotments totaling 477,000 acres. This means that the average acreage allotment per farm is 1.7 acres and when broken down on a family basis means about 1 acre per family. If it is necessary to reduce allotments further in 1948, or in any subsequent year, as now appears likely, there will be a serious inequity if the reduction is not shared by all farms.

The total 1947 tobacco allotment for each kind of tobacco are less than the 1946 allotments, and present indications are that a further reduction will be required in 1948. We do not believe that it was the intention that allotments for one group of farms would be increased, or remain unchanged, each year while the acreage required for making such increases would necessarily come from the acreage which would otherwise be used for establishing allotments for another group of farms, especially when the total acreage expected to be available for establishing allotments is less than in the preceding year.

There is attached a proposed bill which will amend the provisions of the act with respect to minimum farm acreage allotments and increases in small allotments.

The Bureau of the Budget advises that it has no objection to the submission of this recommendation.

Sincerely yours,

CLINTON P. ANDERSON,
Secretary.

A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes

Be it enacted, etc., That section 313 of the Agricultural Adjustment Act of 1938, as amended (U. S. C. 1940 ed. and Supp. V, title 7, sec. 1313), is amended: (1) by striking out

the third proviso in subsection (a) thereof and inserting a period in lieu of the colon following the word "practices"; (2) by striking out the proviso in subsection (b) thereof and inserting a period in lieu of the colon following the word "tobacco"; and (3) by striking out the second sentence of subsection (g) thereof.

SEC. 2. Public Law 276, Seventy-eighth Congress, approved March 31, 1944 (58 Stat. 136), is amended by striking from the next to the last paragraph the language following the enacting clause and by striking from the last paragraph the word "resolved" and the comma immediately following.

DECEMBER 8, 1947.

Hon. JOSEPH W. MARTIN, Jr.,
Speaker, House of Representatives.

DEAR MR. SPEAKER: In a letter addressed to you on June 17, 1947, the Department recommended legislation to amend the provisions of the Agricultural Adjustment Act of 1938, as amended, relating to minimum farm acreage allotments and increases in small tobacco acreage allotments. The same recommendation was made to the President pro tempore of the Senate and S. 1530 was introduced by the chairman of the Committee on Agriculture and Forestry, June 30, 1947.

We have today addressed a letter to the President pro tempore of the Senate renewing our recommendation for enactment of the amendments contained in S. 1530 and recommend further that the language of the bill be changed to provide that the amendments become effective with respect to the farm acreage allotments established for the 1948–49 marketing year.

It was stated in our letter of June 17, that "If it is necessary to reduce allotments further in 1948, or in any subsequent year, as now appears likely, there will be a serious inequity if the reduction is not shared by all."

Under the provisions of the act, flue-cured tobacco acreage allotments for 1948 will be about 28 percent less than in 1947, burley 10 percent, fire-cured 35 percent, and dark air-cured 25 percent.

In view of these drastic reductions in the total acreages to be allotted for the several kinds of tobacco, we again recommend that the act be amended as provided in S. 1530 and that the amendments be made applicable to allotments established for the 1948–49 marketing year.

The Bureau of the Budget advises that it has no objection to the submission of this recommendation.

Sincerely yours,

N. E. DODD,
Acting Secretary.

Mr. HOEY. Mr. President, I have listened with a great deal of interest to the very strong presentation of this question by the distinguished Senator from Kentucky [Mr. CHAPMAN]. I think there is a great deal of force in what he has to say, but there is one reason why I think this amendment should not be adopted, and that is that this is not a bill to regulate acreage.

When we had before us a measure dealing with cotton, we passed a separate bill, and everyone had an opportunity to be heard. The question was determined, and the bill was passed by the Congress. Here is a bill which deals with price supports. No one has had an opportunity to be heard on the subject of this amendment.

In North Carolina there are 15,800 burley tobacco growers. The average acreage is six-tenths of an acre. This proposal, of course, would take away one-tenth, and leave the small grower with only half an acre. I do not believe that the small growers should be so vitally affected without having an opportunity to be heard.

I know that the Senator from Kentucky knows more about the tobacco situation than does any other Member of Congress. He has rendered great service to the tobacco industry; he has been a great friend of the tobacco grower; but I believe that it would be a mistake, in this bill, to adopt the pending amendment and provide for the proposed cut in acreage without giving the small growers an opportunity to be heard.

It is true that some of the farm representatives say that it is a good thing to do. It is true that those in the Department of Agriculture say that it is a good thing. I think the Senator from Kentucky is absolutely correct in saying that we shall have to make a reduction in burley acreage. I think it would be fair to consider whether or not all growers should share in the cut. My position is that I do not believe we should take this step and enforce a reduction on the small growers without giving them the opportunity to be heard. They have not appeared before the committee at all. The subject has never been discussed by the committee. I think it would be manifestly unfair to adopt such an amendment at the close of the session.

I do not see why, when the Congress meets in January, a hearing could not be held upon a bill, giving both sides an opportunity to be heard. Certainly there is to be a referendum before that time, so that would not interfere with the referendum. There are more of the small tobacco growers than of the large growers. Therefore, they would vote for the referendum. They would still be subject to any law which might be enacted in the future to regular acreage.

Therefore, under all the circumstances, I do not believe that we should adopt this amendment. I know the fine motives of the Senator from Kentucky. I know of his intense interest in this subject. I do not believe that the tobacco program is going to be wrecked. I think the situation can be remedied, in fairness and justice to all concerned.

Mr. KEFAUVER. Mr. President, I shall not ask the indulgence of the Senate for more than a few minutes to speak about this problem.

The basic law upon which extended hearings were held, Public Law 302 of the Seventy-ninth Congress, provided that the allotment of the small tobacco grower should not be reduced to less than nine-tenths of an acre. So far as the hearings before Congress show, that was an agreement reached after extensive hearings in the various burley States. Even since that time the burley tobacco representatives have said that they are satisfied with the program, and that they do not want the program changed. That is true so far as the records of Congress are concerned, although some may tell us that changes should be made.

As was stated by the distinguished senior Senator from North Carolina [Mr. HOEY], the success of the tobacco program has been due to the fact that tobacco growers in all the States have been able to reach an agreement. They have been able to iron out their differences in various meetings, so that when they came to Congress they were united in their purpose.

As has been stated, the tobacco program has never cost the Government a cent, but that has been due, I think, to the grassroots approach to the whole problem. In the various States and sections discussions have been held, and the growers have come to Congress with a unified and fully supported program.

My distinguished friend from Kentucky [Mr. CHAPMAN], for whom I have the greatest respect, is an authority on the subject. He believes that if this amendment is not adopted the whole program may collapse.

Let us consider two things. In the first place, no one has come before any committee of Congress to say that he is dissatisfied with the program. Secondly, there are more of the small growers than there are of the large growers. In Tennessee there are 57,000 tobacco growers holding allotments of 0.9 of an acre, out of 80,000 allotments. Unless the small growers are given an opportunity to be heard, there is likelihood that they may vote against any allotments, and that would be a catastrophe to the program. They are entitled to be heard on this question. The great success of this program has resulted because everyone has been considered, and the growers have come to Congress in agreement.

As has been stated by my distinguished colleague from Tennessee [Mr. MCKELLAR], this is not an allotment bill. I have looked through the hearings, and not one person has testified about tobacco allotments—no small grower, no large grower, no Member of the Senate, or anyone else. Should this action be taken without giving the growers an opportunity to be heard?

As we all know, there is a tendency in the country today toward mechanized farming. It has always been the policy of the Nation to give some little incentive to the small homesteader, who has a few acres, a little house, and usually plenty of children. It has been our policy to give him some kind of a break. But during recent years we have been alarmed by the growth in the acreage of farms, which has resulted from mechanized farming. There has been a tendency away from the small homestead, which is a part of the foundation upon which our great Nation has been built. That is the reason for the nine-tenths of an acre exemption.

Mr. CHAPMAN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CHAPMAN. I should like to ask the distinguished junior Senator from Tennessee if he thinks there ought to be an acreage exemption in connection with other types of tobacco, and also in connection with wheat, cotton, corn, and other crops.

Mr. KEFAUVER. I will say to the distinguished Senator that that is getting into the broad question of acreage allotment. That is the reason why I say we ought to have a hearing. There is a good reason for allowing the small growers an exemption.

Mr. CHAPMAN. Does the Senator believe that my question is pertinent to the remarks which prompted the question?

Mr. KEFAUVER. It is pertinent. I say that we should not change the law without giving everyone concerned an opportunity to be heard.

Mr. GRAHAM. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. GRAHAM. Is there not an exemption of 3 acres in the case of cotton?

Mr. KEFAUVER. I believe there is an exemption of 3 acres for cotton; that is correct.

Mr. President, the present program has been agreed to and has been passed upon by Congress. Are we going to change it now, without letting any 1 of the 57,000 small growers in Tennessee have an opportunity to be heard? The great danger to the tobacco program lies in the possibility of having a change made without providing an opportunity for those who are directly affected to be heard, either individually or through their associations or representatives in Congress.

Mr. President, because of the improvements in agricultural methods—the increased use of machinery, sprays, and so forth—the farmer raises more tobacco today on a given acreage of land than he formerly raised. Tobacco is the cash crop of great numbers of small farmers. I think the testimony shows that the average small farmer who raises tobacco gets about $500 out of nine-tenths of an acre of land planted to tobacco. In the hills of eastern Tennessee, $500 does not go very far in the case of a man who has a large family.

So I think the change now proposed would be a step in the wrong direction, particularly when we wish to build up the homesteader, the small farmer.

At any rate, Mr. President, whatever merit there may be in the proposal now before the Senate, it will not suffer if action on it is delayed until everyone can have an opportunity to be heard regarding it. The tobacco growers, large and small, have always prided themselves upon being able to reach agreement after full discussion. On the other hand, if legislation on this subject is summarily enacted, without giving them an opportunity to be heard, such legislation is liable to do much damage and is liable to have a very destructive effect on the entire tobacco program.

So I urge the Senate at least to postpone a decision on this matter until all the facts can be submitted.

Mr. GRAHAM. Mr. President, I simply wish to say that I am in favor of postponing the vote on this amendment until all groups of growers have had an opportunity to be heard.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the senior Senator from Kentucky [Mr. CHAPMAN]. [Putting the question.]

Mr. CHAPMAN. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. CHAPMAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Humphrey	Millikin
Anderson	Hunt	Morse
Baldwin	Johnson, Colo.	Mundt
Butler	Johnson, Tex.	Murray
Byrd	Johnston, S. C.	Neely
Capehart	Kefauver	O'Conor
Chapman	Kem	O'Mahoney
Connally	Kerr	Pepper
Cordon	Kilgore	Robertson
Donnell	Knowland	Russell
Douglas	Langer	Saltonstall
Downey	Leahy	Schoeppel
Eastland	Lodge	Smith, Maine
Ecton	Long	Stennis
Ferguson	Lucas	Taylor
Fulbright	McCarthy	Thomas, Okla.
Graham	McClellan	Thomas, Utah
Green	McFarland	Thye
Gurney	McKellar	Watkins
Hayden	McMahon	Wherry
Hendrickson	Magnuson	Wiley
Hickenlooper	Malone	Williams
Hill	Martin	Young
Hoey	Maybank	
Holland	Miller	

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the amendment offered by the senior Senator from Kentucky [Mr. CHAPMAN].

Mr. CHAPMAN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk called the roll.

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Georgia [Mr. GEORGE], and the Senator from Pennsylvania [Mr. MYERS], are detained on official business.

The Senator from Louisiana [Mr. ELLENDER] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Alabama [Mr. SPARKMAN], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent because of illness.

The Senator from Kentucky [Mr. WITHERS] is absent on public business.

I announce further that on this vote the Senator from Kentucky [Mr. WITHERS], who would vote "yea" if present, is paired with the Senator from New Hampshire [Mr. BRIDGES], who would vote "nay" if present.

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from New York [Mr. DULLES], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG], are absent by leave of the Senate.

The Senator from Ohio [Mr. BRICKER] is absent on official business with leave of the Senate.

The Senator from Vermont [Mr. FLANDERS], and the Senator from New Jersey [Mr. SMITH] are absent on official business with leave of the Senate. If present and voting, the Senator from Vermont and the Senator from New Jersey would each vote "nay."

The Senator from Ohio [Mr. TAFT], and the Senator from New Hampshire [Mr. TOBEY] are necessarily absent. If present and voting, the Senator from New Hampshire would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES], who is absent because of illness, is paired with the Senator from Kentucky [Mr. WITHERS]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from Kentucky would vote "yea."

The Senator from Washington [Mr. CAIN], and the Senator from New York [Mr. IVES] are detained on official business. If present and voting, the Senator from Washington would vote "nay."

The Senator from Indiana [Mr. JENNER] is absent on official business.

The result was announced—yeas 22, nays 51, as follows:

YEAS—22

Anderson	Johnson, Colo.	McClellan
Capehart	Johnson, Tex.	McFarland
Chapman	Johnston, S. C.	Millikin
Connally	Kem	Mundt
Eastland	Kerr	O'Conor
Fulbright	Langer	Russell
Holland	Lucas	
Hunt	McCarthy	

NAYS—51

Aiken	Hoey	Neely
Baldwin	Humphrey	O'Mahoney
Butler	Kefauver	Pepper
Byrd	Kilgore	Robertson
Cordon	Knowland	Saltonstall
Donnell	Leahy	Schoeppel
Douglas	Lodge	Smith, Maine
Downey	Long	Stennis
Ecton	McKellar	Taylor
Ferguson	McMahon	Thomas, Okla.
Graham	Magnuson	Thomas, Utah
Green	Malone	Thye
Gurney	Martin	Watkins
Hayden	Maybank	Wherry
Hendrickson	Miller	Wiley
Hickenlooper	Morse	Williams
Hill	Murray	Young

NOT VOTING—23

Brewster	Frear	Smith, N. J.
Bricker	George	Sparkman
Bridges	Gillette	Taft
Cain	Ives	Tobey
Chavez	Jenner	Tydings
Dulles	McCarran	Vandenberg
Ellender	Myers	Withers
Flanders	Reed	

So Mr. CHAPMAN'S amendment was rejected.

UNITED STATES POLICY TOWARD RUSSIA

Mr. MALONE. Mr. President, I have found no established military authority willing to say that we can hold any part of Europe at this time if Russia started to move into that area. Yet it would seem from press reports and from the results of the British, Canadian, United States conferences that our State Department is seriously considering storing atom bombs in England.

That would be a grave error until such time as it is certain that Europe can be held against any attack, and, in addition, until we know just what attitude England and Europe are going to take toward Soviet Russia in preparation to withstand such attack.

It is well known that England and the Marshall plan countries have made nearly 100 trade treaties with Russia and the countries behind the iron curtain since the close of World War II, and that both England and France have with Russia nonaggression pacts on the order of the North Atlantic Pact.

The information that Russia has the atom bomb should have surprised no one. The only surprise is that anyone should have been surprised, since we knew that Russia fell heir to some of the

outstanding German scientists, men who were near that discovery before the war ended. If the Russians do not have the atomic bomb now, it is well known that they will have it soon. The lack of industrial facilities with which to manufacture it in sufficient quantities is the real cause of the delay.

But, since England and the Marshall plan or ECA countries are sending Russia and the iron curtain countries all kinds of machinery, including engines and power machinery, through their trade treaties to consolidate the Russian gains behind the curtain and also to consolidate their gains in China and in Asia, much of the needed atom bomb industrial machinery and equipment will be included in such shipments, and will definitely hasten the day when Russia will be able to compete with us in the manufacture of atom bombs.

Now we have the picture of England pressing us to recognize the Communist government of China, indicating that England intends to extend such recognition in the very near future.

It may be pertinent to inquire at this time if our State Department considers the Russia bordering on northern China to be the same Russia bordering on eastern Europe; and, if so, how we can officially recognize a Red China Government dominated by the Russians, and at the same time be getting ready to fight the Russia east of Europe.

It is time that the American people and, above all, the Congress of the United States, caught up with this double-dealing strategy and make up their minds just what the American policy should be, and quit adopting without question, without even a close inspection, all the ready-made European programs as fast as they are thrown at us.

Mr. President, the proposal to store the atom bomb in England or anywhere in Europe, and the apparent absence of serious efforts to control the entire atom-bomb program, could result in a grave danger to the peace of the world. That proposal could take its place alongside the two major mistakes of the century, which were made at Yalta, where the Russians were allowed to take over Manchuria, thus giving them a foothold in China, and were also allowed to occupy Berlin, thus obtaining a foothold in western Europe, while at the same time no provision was made for access to Berlin by the other nations.

Mr. President, in connection with these remarks, I ask unanimous consent to have printed at this point in the RECORD a clipping from the New York Journal American of October 5.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN ABANDONMENT OF DEMOCRACY

Danger is great that this country may commit one of the gravest blunders in history by stock-piling atom bombs in England under the North Atlantic Treaty and at the same time establishing international control of atomic energy through the United Nations.

The American plan for atomic-energy control would have made Soviet Russia a participant in scientific development and industrial usage of fissionable materials.

But it would also have forbidden future manufacture of atomic weapons and required preventive inspections, in Russia as well as elsewhere.

When the plan was presented, this country alone had the bomb, but Russia was working on its production—and was also stealing some of our secrets.

Russia accordingly rejected the American plan with its inspection feature, demanding instead that all existing bombs be destroyed before any control at all was adopted.

This would have meant, according to Soviet practice, that the United States would disarm itself while Russia secretly continued to arm for atomic warfare.

Under these conditions, this country should have continued to stock pile the bomb in America and to keep the bomb in our sole custody.

The North Atlantic Alliance, of which we later became a member, was entered into, of course, because of the Soviet military menace.

Under the treaty, a joint defense program was devised in which long-range bombing and delivery of the atom bomb became our strategic role.

Consequently, the absolute security of the bomb was made our security more than ever.

Moreover, the completion of the B–36 superplane gave our Air Force the means of delivering atom bombs wherever there might be a target.

Nonetheless, as long ago as in mid-August it was disclosed at Washington that high United States officials were considering a project to make England our atom-bomb base in order to shorten the distance to Russia.

The Atomic Energy Act of 1946 forbids the exportation of fissionable material, which is the explosive core of the bomb.

However, it was said that the President could ship the finished bomb anywhere, and that the foreign stock pile would be guarded by us.

Since then, the State Department has continued to seek atomic energy control in the United Nations.

If the Department should succeed, Russia would obtain our atomic secrets and might have something to say about the use of our own weapons.

This complicated situation has grown more complicated because of the discussions with Great Britain and Canada about sharing atom-bomb techniques and materials, or even sharing the bomb itself.

In view of the facts that, under any prospective agreement, our bombs would be in England, with the British Labor Government sharing our control, we would be putting ourselves in a very precarious condition.

For one thing, we might find that we had succeeded in giving the bomb away at last.

For another thing, we would be placing a very unsafe reliance in Marxism.

The British Labor Government is a Socialist government, ideologically more akin to Moscow than it is to Washington.

We think or pretend to think that the Socialist Government of England will unite with us on any question involving the rights of free peoples.

But we have seen how little the present government of England regards our interests in the recent Russian treaties with Great Britain, all of which have been for the advantage of Russia and to the detriment of the United States.

By reason of these Soviet-British relations, therefore, stock-piling the bomb in England is putting the stock pile under the control of the Big Three nations.

And this devious method of transferring control of the greatest physical force in the world is actually putting the destiny of all the peoples of Europe, Asia, and America in the hands of the Socialist government of England and the Communist government of Russia, constituting together the majority in the control of atom bombs.

This means the complete abandonment of democracy to the communistic government of Russia and the socialistic government of England whenever they choose to substitute despotism for democracy in any section of the world.

Mr. MALONE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a clipping from the San Francisco Examiner of September 24, covering a part of the whole three-phase program, or the three-ring circus, as it is referred to in the editorial—namely, to have an international conference going on at one place, while at another place a discussion is held regarding a proposal to extend the so-called Reciprocal Trade Agreements Act of 1934, so as further to lower our tariffs and import fees and to open the markets of the United States to all the other nations of the world; and at the same time, as the third part of the three-ring circus, as it is referred to in the editorial, a program is being made and concluded, at a conference between Britain and Russia, for the shipment of additional goods to Russia, which thus will enable Russia further to consolidate the gains she has made behind the iron curtain, including her gains in Red China.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THREE RINGS, BUT NOT A CIRCUS

The monetary and economic crisis in Great Britain has taken so many turns that it is somewhat like watching the distracting performances in a three-ring circus to attempt to keep track of them.

But unfortunately, while there is an element of international drama in this situation, it is definitely not entertaining to the American people, although they are most definitely paying for the performance.

The center ring, and undoubtedly the center of attention, has been the Washington conference between British and American statesmen seeking agreement on the new forms of assistance to be extended to Great Britain by the United States in view of the exhaustion of previous grants of assistance.

But there has been a second performance in Washington to which the American people should have paid more attention—the all-out and finally successful effort of the Truman administration to persuade Congress to reinstate the Reciprocal Trade Agreements Act of the earlier New Deal days.

The effect of the reinstatement of the Reciprocal Trade Agreements Act, now approved by both Houses of Congress, will be to drastically reduce or to entirely eliminate the protective tariffs which safeguard American workers and industries against imported foreign goods produced under conditions of peonage and even slave labor, and which thus safeguard and sustain our American standards of living and our system of high wages and quality goods which supports those essential standards.

Since the reduction or removal of American protective tariffs is one of the main things the British negotiators have sought at the Washington conference, it is perfectly evident that the American negotiators were not only willing to concede the point but had actually done so in advance.

But it is the third performance that really fills out the background for this whole show.

At the very same time the British and American negotiators have been meeting in Washington and the Truman administration has launched its reciprocal trade-agreement program in Congress, it has been formally

announced in London that the new British-Russian trade agreement is now in force.

Under this agreement, shipments of Russian barley, corn, and oats will soon be arriving in Great Britain, and during the term of the agreement a total of 1,000,000 long tons of Russian grain will be delivered—to the very grave depletion of foreign markets in which American grains may be sold.

In addition to grains, Russia has undertaken to sell timber, potash, chemicals, and canned fish to Great Britain, still further depleting the foreign markets of the United States.

But much more significantly, under the same agreement Russia will in its turn soon be receiving industrial machinery, electrical equipment, ships, steel rails, and transport facilities from Great Britain.

And of course all of these products are available to Russia in Great Britain only because of the assistence we have given in the past, and will only continue to be available if we continue to give assistance.

All of which has persuaded Senator MALONE, of Nevada, that—

"There is something very fishy about this whole deal.

"The British conference was accurately timed to coincide with the scheduled reciprocal trade agreement fight in the Senate.

"While the public is keeping its eye on the British attempt to make a new raid on the Treasury, the internationalist will sneak the reciprocal trade law through.

"As it will give the British our markets and world trade, it is worth more to them than a gift of gold."

And as Senator MILLIKIN, of Colorado, has suggested, our cooperation with Great Britain should at least be kept on a "two-way-street basis."

"Let us keep our strength at home," urged Senator MILLIKIN.

"We cannot take on our hands all the infirmities of the world."

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

Mr. YOUNG obtained the floor.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LUCAS. Mr. President, as I understand, the amendment of the Senator from North Dakota is the last important amendment to be voted upon. A number of Senators have called upon me and expressed the hope that we might conclude the consideration of this bill this afternoon. Some of them would like to get away to go to various sections of the country. I am wondering if it would be possible to agree to a unanimous-consent request to vote at 4 o'clock.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. WHERRY. Mr. President, I hope we may be able to get a unanimous-consent agreement to vote on the bill this afternoon. Several Senators have expressed a desire to vote this afternoon. If the bill goes over until Monday some of those Senators cannot be present.

The bill has been pretty well debated, and I think that if we could get a unanimous-consent agreement sometime this afternoon it would be beneficial to all interested in this farm legislation. I hope the Senator from North Dakota, if he contemplates objecting, will withhold his objection or, if he cannot agree to 4 o'clock, can suggest an hour which would be acceptable.

Mr. LANGER. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. LANGER. I should like to know whether or not any Senator is going to propose the Brannan plan.

Mr. LUCAS. I cannot answer the distinguished Senator. So far as the Senator from Illinois is concerned, he is not going to propose it.

The PRESIDING OFFICER. Is objection heard?

Mr. LANGER. Does the distinguished chairman of the Committee on Agriculture and Forestry know whether any Senator is going to offer the Brannan plan?

Mr. THOMAS of Oklahoma. I have been asked a direct question, and I shall have to make a direct reply. In the event the Young-Russell amendment shall be offered and defeated, then I shall offer the Brannan plan.

Mr. LANGER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard. The Senator from North Dakota will proceed.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. YOUNG. I yield.

Mr. WHERRY. Mr. President, will the majority leader yield for another question?

The PRESIDING OFFICER. One moment. Senators will please resume their seats.

Mr. WHERRY. I ask the distinguished Senator from North Dakota if he will yield that I may propound another inquiry.

Mr. YOUNG. I yield.

Mr. WHERRY. I wonder what the majority leader would feel about making a unanimous-consent request for a vote on the so-called Young-Russell amendment at some hour.

Mr. LUCAS. In view of what the Senator from Oklahoma said, it is apparent that we cannot finish the bill this afternoon. I am wondering if we could make an agreement to vote on Monday at, say, 2 o'clock.

Mr. WHERRY. Mr. President, if that is the intention of the majority leader, I hope he will withhold the request until after we have had a vote on the so-called Young-Russell amendment.

Mr. LUCAS. Can we not vote at 3:30 on the amendment, I ask the Senator from North Dakota?

Mr. YOUNG. I think so.

Mr. RUSSELL. Mr. President, I do not think I shall object, but I think we can vote at 3:30 o'clock, or 3 o'clock, without any agreement, unless some Senator expects to speak at length, and I know nothing about any such intention. Inasmuch as we cannot get an agreement to vote on the bill, I think we might as well proceed.

The PRESIDING OFFICER. Does the Senator object?

Mr. RUSSELL. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LUCAS. Mr. President, I wish to announce now that in the event we do not finish the bill by 6 o'clock this evening, under the agreement I have had with other Senators we will have to take a recess until Monday next. I think Senators should know that at this time. I have agreed that there shall be no session tomorrow, and that there will be no night session. It will mean that if necessary we will have to go on with the bill on Monday next.

Mr. WHERRY. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. WHERRY. I appreciate the remarks of the majority leader. I know he is attempting to get a vote on the amendments, in an effort to dispose of the farm legislation today. Of course, as to the amendment which is to be offered again by the distinguished Senator from North Dakota [Mr. YOUNG], I understand in conjunction with the distinguished junior Senator from Georgia [Mr. RUSSELL], it seems to me that inasmuch as the amendment has been debated, and was voted on several times a day or two ago, it would not take too much debate on the amendment to get it out of the way. I had hoped we could get a unanimous-consent agreement on that amendment. I might state to the majority leader that I have persuaded several Senators to remain here, Senators who have to leave this afternoon, and some of them cannot possibly be here Monday. I would deeply appreciate it if, after we take a vote on the amendment of the Senator from North Dakota and the Senator from Georgia, we could try to finish the bill today before a recess is taken.

Mr. RUSSELL. Mr. President, I can assure the Senator that I shall not take any great time on the amendment or on the bill, and I do not know of any other Senator who will, but it seems to me this one amendment has been singled out for a unanimous-consent request, after objection has been made to fixing a time for a vote on the bill. I regard this amendment as being of vital importance. Of course, other Senators differ with me, but I think we can vote on it by 3 o'clock if we run along in the normal course.

Mr. LUCAS. Does the Senator object?

Mr. RUSSELL. I would prefer that we run along. We may vote by 3 o'clock. We may save time by not having a unanimous-consent agreement.

The PRESIDING OFFICER. Objection is heard. The Senator from North Dakota has been recognized, and has the floor.

Mr. YOUNG. Mr. President, on behalf of myself and the junior Senator from Georgia [Mr. RUSSELL], I send to the desk an amendment to Senate bill 2522 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. In the committee amendment, on page 3, line 3, after "(1)", it is proposed to insert "(A)."

On page 3, between lines 8 and 9, it is proposed to insert the following:

(B) The level of support to cooperators shall be 90 percent of the parity price for a crop of any basic agricultural commodity for which marketing quotas are in effect.

Mr. YOUNG. Mr. President, at the outset I wish to take exception to the statement made by the able Senator from Vermont [Mr. AIKEN] last Tuesday

when he said that the wheat farmers and the cotton farmers had ganged up against the other farmers of the country. Obviously that statement was designed to stir up sectionalism, and turn one segment of agriculture against another. I deeply resent all of its implications.

Ever since I came to the Senate I have been working very closely with the Senator from Georgia [Mr. RUSSELL], because he and I think more nearly alike on agriculture than any other two Members of the Senate. We joined in a fight for farm housing, rural electrification, soil conservation, and many other agricultural projects. For the past 3 years, we have served together on the committee considering agricultural appropriations, and I have found the Senator from Georgia to be the fairest and probably the ablest defender of agricultural rights in the Senate.

Mr. President, the amendment which the able Senator from Georgia [Mr. RUSSELL] and myself are offering is somewhat different from the one which was approved by the Senate previously, but deleted by the Senate Agriculture Committee.

The amendment provides that the farmer shall receive a price support for basic farm commodities at 90 percent of parity only when he is under quotas. The last amendment provided that he would receive 90-percent supports when under either acreage controls or quotas.

My good friend, the Senator from Vermont [Mr. AIKEN], contended at the time this amendment was before the Senate that it would mean rigid 90-percent supports at all times. His contention was that under the Agricu.lture Act of 1938 the Secretary of Agriculture would have to declare acreage allotments every year if farmers were to receive the benefits of price-support legislation.

Apparently, many Members of the Senate and the press subscribed to the views of the Senator from Vermont [Mr. AIKEN], since the press all over the Nation has labeled the Russell-Young amendment a rigid 90-percent support program. While I believe in rigid 90-percent supports, I am not, at this time, offering any such amendment.

I discussed this matter yesterday with Representative HOPE, the ranking Republican Member of the House Committee on Agriculture. It was his opinion, and the opinion of the counsel of the House Agriculture Committee, that the Senator from Vermont [Mr. AIKEN] was wrong on his argument. Representative HOPE called my attention to a discussion on this particular provision of the Agriculture Act of 1938 in the House hearings labeled: "Agricultural Act of 1948 (Aiken bill) part 1, serial D."

On pages 221, 222, and 223 it is very apparent, from the questions that Representative HOPE and Mr. Parker asked of Judge Hunter, the Solicitor from the Department of Agriculture, that it is purely optional for the Secretary of Agriculture to call for acreage allotments.

Mr. President, I wish to read just a part of these hearings on page 221:

Mr. HOPE. Yes; but now the point I am still not clear on is whether it is simply up to the Secretary to determine whether or not he will have acreage allotments. Is it true that it is simply up to the Secretary? He has the law on the books, and he can decide whether or not he will have acreage allotments. Is that the case?

Mr. HUNTER. He could establish acreage allotments for the 1950 crop. The time element does not give us any trouble there.

Mr. HOPE. I am not thinking about the time element or anything else. I want to know how it is determined as to whether you are going to have acreage allotments. One reason I want to know that is in connection with the provision of the of 1948 act which says that whenever acreage allotments are in effect, or whenever marketing quotas are in effect, there shall be a 20-percent increase in the support price. What I am trying to find out is whether the Secretary has the authority in any year that he sees fit to put acreage allotments into effect on these four commodities.

Mr. HUNTER. I think, under the opinion rendered, he would have that authority, Mr. HOPE. Where there is no need for acreage allotments at all, I do not see where he is under any mandatory obligation to establish acreage allotments just for the purpose of providing this 20-percent premium.

Mr. PARKER. Under the Agricultural Adjustment Act of 1938, is the Secretary required to proclaim a national acreage allotment for every year for wheat?

Mr. HUNTER. No. I just stated that the opinions state that in view of the emergency that then existed he was not requested to do it.

Mr. President, I suggest that if any Senator is still in doubt, that he read this record carefully, or consult with Representative HOPE and the House Agriculture Committee counsel, who went into this provision very carefully during these hearings.

Even though I am convinced that the Senator from Vermont is completely wrong, in order to overcome some objections that resulted, the Senator from Georgia [Mr. RUSSELL] and myself are willing to modify our amendment only to make mandatory 90-percent supports when farmers are under quotas.

Mr. AIKEN. Mr. President, will the Senator yield long enough so I may put emphasis on the fact that the person giving that testimony, to the effect that the Secretary was not required to proclaim acreage allotments on wheat this year, was the chief solicitor of the Department of Agriculture. That is a fact, is it not?

Mr. YOUNG. Yes. It was Judge Hunter.

Mr. AIKEN. The chief solicitor. I want to emphasize that now because I shall refer to it later after the Senator finishes.

Mr. YOUNG. One of the reasons why I want the change made is that I personally believe the question a very debatable one regardless of this very clear testimony.

Mr. AIKEN. Does not the Senator from North Dakota believe we should read the law, and go by that, rather than by testimony given before a House committee?

Mr. YOUNG. Representative HOPE gave his views on the subject. He has been engaged in agricultural legislation for about 20 some years. I called him yesterday on the subject.

Mr. AIKEN. The reason I want to emphasize this matter now is that I shall point out later the confusion and misunderstanding which exists in some departments of our Government. This is a good example of it. When the Senator concludes I shall put into the RECORD information from the Solicitor's office expressing a viewpoint directly contrary to the one which the Solicitor gave before the House committee.

Mr. YOUNG. I agree that it is a debatable question.

Mr. AIKEN. I do not question that the testimony was given.

Mr. MUNDT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from South Dakota?

Mr. YOUNG. I yield.

Mr. MUNDT. I wish to refer to the hearings in February and March of this year before the House Agricultural Committee. In those hearings appears the opinion to which the Senator from Vermont has been referring during the debate. Congressman HOPE questioned the witness on section 332 in the Triple A Act of 1938. Then the witness read the section, and was asked this specific question:

Do you mean to say that if quotas are not in effect he is not required to proclaim an acreage allotment, but he may?

Mr. Hunter answered:

That is right.

Mr. AIKEN. But that referred only to cotton and tobacco, and that in recent months. It did not refer to wheat, corn, rice, or peanuts in any respect. On these commodities the Secretary has to proclaim acreage allotments each year, but it does not follow that there will be quotas. On cotton and tobacco he has to proclaim quotas first. Then the quotas have to be translated into allotments.

I am afraid that the gentlemen from the wheat States have fallen into somebody's trap.

Mr. YOUNG. I should like to say to my good friend the Senator from Vermont, that I stuck with him through thick and thin a year ago, but oftentimes since I have been unable to follow him through this price-support legislation.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MUNDT. The Senator from Vermont is certainly mistaken when he says this deals only with cotton and tobacco. I shall read the language of the section from page 222 of the House hearings. It does not even mention cotton or tobacco. This is the basic law as it is printed in the hearings:

Not later than July 15 of each marketing year for wheat—

Not peanuts, but wheat—

the Secretary shall ascertain and proclaim the total supply and the normal supply of wheat—

Not peanuts, but wheat—

for such marketing year, and the national acreage allotment for the next crop of wheat.

Then the question was asked specifically about wheat:

Do you mean to say that if quotas are not in effect he is not required to proclaim an acreage allotment, but he may.

Mr. Hunter replied:

That is right.

Now, Mr. Hunter is interpreting that law respecting wheat. Mr. Hunter is the Solicitor of the Department of Agriculture, and he was interpreting the law. He is the man who interprets it for Congress and for the Secretary. Consequently, it should be an interpretation upon which we ought to pass intelligent legislation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. May I ask if the Senator believes that the Solicitor's office should make two directly opposite interpretations of the same provision of the law in the same year?

Mr. MUNDT. No; of course not.

Mr. AIKEN. I do not know when the interpretation to which the Senator referred was made.

Mr. MUNDT. This appears on page 222 of the House hearings. It was made in March of 1949.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CAPEHART. What are the facts? What is the law?

Mr. AIKEN. I shall give the facts when the Senator from North Dakota completes his statement.

Mr. CAPEHART. What has been said may have a tendency to confuse some of us. Is there no Member of the Senate present who knows what the law is and what are the facts?

Mr. YOUNG. The Senator from South Dakota [Mr. MUNDT] was quoting from hearings held by the committee. He was reading from the testimony of Judge Hunter. But there are apparently two conflicting opinions. I agree with the Senator from Vermont that, looking over the whole situation, the matter is probably debatable. For that reason I have eliminated that part.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. I should like to correct the Senator. I do not believe the Senator from South Dakota quoted the law. He quoted from Judge Hunter's testimony.

Mr. MUNDT. I quoted from Judge Hunter's testimony, but in the testimony of Judge Hunter he was interpreting the law.

Mr. AIKEN. His interpretation of the law was read, but not the law.

Mr. MUNDT. Yes; his interpretation of the law. The law itself was read immediately before his interpretation.

Mr. AIKEN. Does the Senator from South Dakota believe that interpretation was correct?

Mr. MUNDT. Yes; I have every reason to believe it to be correct since I have no reason for feeling the Department's own Solicitor would make a false or erroneous interpretation. The Senator from Vermont indicates that at some other time Judge Hunter made a different statement; but so far as I know this is the only time the Solicitor has ruled on the question in a public hearing.

Mr. CAPEHART. What has the Secretary of Agriculture been doing? What has been the practice in the past?

Mr. YOUNG. The question has not arisen. During the war allotments were suspended under the war emergency, and the question has not arisen.

Mr. CAPEHART. There has been no necessity for applying allotments?

Mr. YOUNG. That is true.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. Does not the Senator from North Dakota recall being requested to meet with the Secretary of Agriculture, Mr. Trigg, Mr. Andrews, the Senator from Oklahoma [Mr. THOMAS], the Senator from Georgia [Mr. RUSSELL] and myself, about a month ago?

Mr. YOUNG. I do.

Mr. AIKEN. At that time it was pointed out that the Secretary proclaimed acreage allotments for wheat this year. The Secretary stated, as I recall, that he was simply complying with the law. I shall read the law into the RECORD.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CAPEHART. Is it not a fact that acreage allotments for next year have been proclaimed?

Mr. YOUNG. That is correct.

Mr. CAPEHART. I have already received my allotment.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. RUSSELL. This discussion is largely moot, in view of the fact that the amendment has been altered so as to apply only in case marketing quotas are in force.

Mr. YOUNG. I merely raise the question to point out that I thought I was right before. The publicity which went out over the Nation that this would be a completely rigid 90-percent program.

Mr. RUSSELL. I should like to point out that the so-called Aiken Act, which will take effect the first of next January unless Congress enacts other legislation, has exactly the same provision as did the original amendment which was offered by the Senator from North Dakota and myself. I invite the attention of Senators to paragraph (3) of subsection (b) of section 302 of that act. Following the tables, which run the loan from 90 percent to 60 percent, based upon the supply, we find this language:

(3) Notwithstanding the foregoing provisions of this section—

(A) the minimum level of price support to cooperators for any basic agricultural commodity shall be 120 percent of the minimum level determined from the foregoing table, if acreage allotments are in effect at the beginning of the planting season for such commodity——

Mr. YOUNG. That ought to answer the question.

Mr. RUSSELL. I continue reading from the language to which I have referred:

or if marketing quotas are in effect at the beginning of the marketing year for such commodity, but in no case shall the level of price support for any commodity be increased thereby above 90 percent of its parity price as of the beginning of the marketing year.

Mr. AIKEN. Mr. President, will the Senator read further?

Mr. RUSSELL. Yes. How much further does the Senator desire me to read?

Mr. AIKEN. Until the Senator makes it clear that the provision he just read does not provide for mandatory 90-percent supports.

Mr. RUSSELL. I read further:

(B) the level of price support for any basic agricultural commodity normally marketed in any marketing year with respect to which marketing quotas have been disapproved by producers shall be 50 percent of the parity price of such commodity as of the beginning of such marketing year.

Mr. AIKEN. I am afraid the Senator skipped a little.

Mr. RUSSELL. Here is a copy of the act. The Senator can read it.

Mr. AIKEN. The Senator did not read the following:

Shall not exceed 90 percent of the parity price of such commodity as of the beginning of the marketing year or be less than the percentage of its parity price as of the beginning of such marketing year determined from the following table:

Mr. RUSSELL. That has nothing to do with it. I referred to the table. The language which I read begins:

Notwithstanding the foregoing provisions of this section—

So without regard to what is in this section, this law applies.

Mr. AIKEN. That is correct. It provides that the Secretary shall not fix a level above 90 percent nor less than the minimum provided for by the table in the act.

Mr. RUSSELL. It does not say any such thing. I read it once, and I shall read it again:

The minimum level of price support to cooperators for any basic agricultural commodity shall be 120 percent of the minimum level determined from the foregoing table, if acreage allotments are in effect at the beginning of the planting season for such commodity, or if marketing quotas are in effect at the beginning of the marketing year for such commodity; but in no case shall the level of price support for any commodity be increased thereby above 90 percent of its parity price as of the beginning of the marketing year.

Mr. AIKEN. Please finish that sentence—

or be less than——

Mr. RUSSELL. There is no such language there.

Mr. AIKEN. I challenge the Senator from Georgia to point out where that means 90 percent.

Mr. RUSSELL. Of course it means 90 percent.

Mr. AIKEN. If it meant 90 percent, why did the Senator from Georgia and the Senator from North Dakota propose anything different?

Mr. RUSSELL. Of course I did not mean to make the argument that it would allow 90 percent in any case. It would allow 80 percent.

Mr. AIKEN. It allows a maximum of 90 percent, and if quotas or allotments are in effect, a minimum of 72 percent.

Mr. RUSSELL. If it goes down to the point where the supply percentage is 130, the level of support will be 60 percent.

Mr. AIKEN. Plus 20 percent, or 72 percent.

Mr. RUSSELL. Exactly. That does not illustrate what I was talking about. The Senator from Vermont, when he drafted the bill, recognized that if acreage allotments were in effect the same premium would apply as in the case of marketing quotas. So we have gone further in this amendment than the Senator did in his bill.

I was further pointing out that this probably explains the action of the Secretary of Agriculture in declaring acreage allotments for 1950, because in the absence of any other law this law would apply, and it would certainly be consistent with his duty, if he apprehended that this law might apply in 1950, to proclaim acreage allotments.

Mr. AIKEN. Of course, in several cases he has already used the provisions of that law in anticipation of its becoming effective January 1.

Mr. RUSSELL. That is what I am pointing out.

Mr. AIKEN. I should like to point out that it does not provide 90 percent support.

Mr. RUSSELL. I did not say that it provided 90 percent. It provides not to exceed 90 percent.

Mr. AIKEN. The minimum, when quotas are in effect, would be the level determined by the formula, plus 20 percent. That means that the minimum for basic commodities under title II of the 1948 act would be 72 percent. The maximum would be 90 percent, unless in the interest of national security the Secretary deemed it advisable to go beyond 90 percent.

Mr. RUSSELL. The Senator is making the point——

Mr. AIKEN. I intended to make a different point from the point which the Senator is discussing.

Mr. RUSSELL. The Senator can make an abstract point which does not cast any light on the discussion if he chooses, and I shall not object.

The point I was trying to make is that the Senator's own bill recognized acreage allotments and marketing quotas as being entitled to exactly the same premium, whatever that premium might be, under the terms of the bill. The Senator knows what the program is better than I do. The fact that the Secretary has proclaimed acreage allotments for next year does not necessarily hinge upon the fact that the law was mandatory, but upon the fact that he assumed that the Aiken law might take effect. I think it was consistent with his duty under the Aiken Act that he should proclaim acreage allotments.

Mr. AIKEN. No; it is under the 1938 law. However, I do not wish to take the time of the Senator from North Dakota. I shall read the law into the RECORD when the Senator from North Dakota concludes, together with information from the Solicitor's office which is directly contrary to the testimony of Judge Hunter as given before the committee.

Mr. YOUNG. That is a moot question, which we have eliminated.

Mr. RUSSELL. I apologize to the Senator for discussing a moot question.

Mr. YOUNG. We have settled that issue now; but I suspect that the opponents of this amendment, for political purposes, will claim that the wheat farmer is getting a bad deal. It probably will not be quite as good. There might occasionally be a year when we would have acreage allotments but no quotas, but it would be very rare.

When Secretary Brannan called me this morning on another matter, I questioned him on this subject. He said, "Your amendment will do about as much good as the one previously offered," which included both acreage allotments and quotas. He stated that he was for it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. Did the Secretary of Agriculture state unequivocally that he was in favor of the rigid 90-percent supports?

Mr. YOUNG. He stated that he was in favor of the amendment which I offered.

Mr. AIKEN. That is 90-percent support.

Mr. YOUNG. Under quotas.

Mr. AIKEN. On cotton, tobacco, and peanuts.

Mr. YOUNG. Please let us not confuse this proposal with the rigid 90-percent support. We have already settled that issue.

Mr. AIKEN. I shall point out later that it means a permanent 90-percent support for peanuts and tobacco, and 90 percent for cotton for a long time to come. It does not mean 90 percent for wheat, and possibly not for corn or rice.

Mr. YOUNG. That is the opinion of the Senator from Vermont. I do not believe that the farmer would be more likely to follow his opinion than mine.

Mr. AIKEN. I do not ask him to follow my opinion. I simply wish to present the facts.

Mr. YOUNG. I thoroughly disagree with the Senator's presentation, as I have on many other occasions.

Mr. President, if I were thinking only of political benefits—especially since I may be a candidate for reelection next year—I would let this record go unchallenged. The fact that the newspapers and columnists all over the Nation called this a rigid 90-percent program has certainly put me in good standing with the people of my State and elsewhere.

Now the farmers are calling me a 90-percenter, which, politically, is the next best thing to being called a 100-percenter, in farm language. To those who may question my thinking on this matter, I merely want to point out that in practically every poll taken recently in the Midwest, and even in the conservative area of the Midwest, farmers indicated a heavy preference for 100-percent supports.

Mr. President, the press has been of great service politically in my State by calling this amendment a rigid 90-percent program. Again, if it were only for political purposes, I would not challenge this record. However, I want to be absolutely honest with the farmers of my State and Nation.

Farmers are the most loyal people in the world; and I would not, for anything, try to deceive them in any way.

Only last week the political paper of my colleague the Senator from North Dakota [Mr. LANGER] had this to say:

> Well, now MILT YOUNG is sure getting his neck out pretty far by bucking against the Brannan plan. The farmers want their 100-percent parity and MILT he better watch out. I heard the Farmers Union fellow talk on the radio about it the other night. It sounds like sense to me. The heck with this 65 percent stuff. Sixty-five percent may be enough to suit MILT, but for me, I want 100-percent parity like the Brannan plan says.

So the press may observe that they did me a real service.

Obviously, Mr. President, it gives me a great deal of pleasure to spoil the argument of my good and respected political opponents in North Dakota.

I would be sitting on top of the world politically, if I could only get the press to carry the following statement made by my good friend, the Democratic majority floor leader [Mr. LUCAS]. This statement appears on page 13790 of the CONGRESSIONAL RECORD for October 4, 1949:

> Mr. LUCAS. I know the Senator from North Dakota is for 100-percent parity. He has expressed himself in committee, off the Senate floor, and on the Senate floor. I know he wants 100 percent; 90 percent is not sufficient for the Senator from North Dakota. I am surprised he has not offered an amendment to make it 100 percent. I am really surprised he agreed with the Senator from Georgia on 90 percent because the Senator from North Dakota has continually talked about 100-percent parity.

I may circulate that statement all over North Dakota next year.

Mr. President, I have had more than a little experience with these 60-percent labels, 90-percent labels, and 100-percent labels. My good friend, Vice President BARKLEY, in the last campaign made a brief visit to Minnesota, and I believe he made two speeches. In those speeches he advocated 90-percent supports. The day following those speeches, nearly every farmer in Minnesota was saying, "BARKLEY is a 90-percenter." "BARKLEY is a 90-percenter."

Some of those Minnesota farmers crossed the Red River into North Dakota, and said, "BARKLEY and Truman are 90-percenters, BARKLEY and Truman are 90-percenters." That gave me a rather hard time, when I was trying to carry my State for the Republican ticket.

I, too, was compaigning for 90-percent supports; but I believed the Secretary of Agriculture could provide those supports under the Aiken Act. The net result was that North Dakota gave Governor Dewey a bigger vote than he had received 4 years previously.

However, I noticed that in Minnesota, with its good Governor Youngdahl—and in my opinion he is one of the outstanding governors of the Nation—the two good Republican Senators at that time,

and the many good Republican Congressmen—it was impossible to overcome the argument Senator BARKLEY made and to stop the farmers from voting the Democratic ticket.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). Does the Senator from North Dakota yield to the Senator from Vermont?

Mr. YOUNG. I yield.

Mr. AIKEN. I am glad the Senator who now occupies the chair [Mr. HUMPHREY] is where he is, so that he cannot reply to the statement the Senator from North Dakota has just made—to the effect that Minnesota has two good Republican Senators.

Mr. YOUNG. I was speaking of the situation last year, during the campaign.

Mr. AIKEN. Now I am more than glad that the junior Senator from Minnesota is in the chair, where he cannot talk back. [Laughter.]

Mr. YOUNG. What I am trying to point out, Mr. President, is that, right or wrong, the farmers of the great Midwest want 90-percent supports. If the Republican Representatives in Congress are not willing to go on record for these levels of support, then there is little hope that that area will go Republican again for a long while to come.

Many wonder why farmers are so concerned about price supports and why they want 90- or 100-percent supports. The farmers' thinking would be better understood if the opponents of that legislation had lived through the misery and tragedy with the farmers in that tragic period of the thirties. At that time, as Senators will recall, prices on farm commodities swung to almost record lows. Wheat went as low as 18 cents a bushel, hogs $1.50 a hundredweight, barley and oats from 1 cent to 6 cents a bushel. The result was that the great majority of the farmers, while living on the starvation diet and in dire poverty, still lost most of their farms.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. CAPEHART. What prices would the parity arrangement of from 75 percent to 90 percent, as provided in the Anderson bill, have given the farmers during the period of the thirities, for wheat, for instance, during the time the Senator has been discussing?

Mr. YOUNG. The support level——

Mr. CAPEHART. No; I mean this: Under the Anderson bill, as it is being debated today, what would the support price received by the farmers have been during the period the Senator has been discussing?

Mr. YOUNG. I do not know—perhaps about 60 or 70 cents a bushel, I should guess.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. AIKEN. Under title II of the Agricultural Act of 1948, the minimum floor for wheat during any of the years in the 1930's would have been 76 cents a bushel. The Anderson bill would have added 5½ cents to that, making the price approximately 81 cents a bushel.

Mr. CAPEHART. So if we went back to the situation we had in the early 1930's——

Mr. AIKEN. Of course, in those days parity for wheat was nearer $1.

Mr. CAPEHART. If we went back to that period, under the Anderson bill the guaranty would be about 81 cents a bushel. Is that correct?

Mr. AIKEN. Yes.

Mr. YOUNG. I think the figure would be lower than that, because the Anderson bill gives a lower parity price for wheat than the parity formula used at that time gave.

Mr. AIKEN. In the figures I gave, I took that into consideration.

I obtained that figure from the Bureau of Agricultural Economics when the 1948 act was being formulated; and it figured out 76 cents under that formula. The Anderson formula, including allowance for the cost of hired farm labor, would raise that figure about 5½ cents a bushel.

Mr. CAPEHART. My point is that I do not think the Senator from North Dakota intends to leave the impression that unless we adopt his amendment, the price of wheat and the price of corn will go as low as they did in 1931 and 1932.

Mr. YOUNG. I shall give a comparison, a little later, in regard to that situation. The Anderson bill, if enacted, would be of some help, but not all the help that is needed. In my opinion, the price of wheat may well go down 30 or 40 cents a bushel without a support program.

Mr. CAPEHART. Under the Anderson bill?

Mr. YOUNG. No; I mean without a support program. Under the Anderson bill, 90 percent of parity is $1.71 a bushel, for wheat. Seventy-five percent of parity, under the Anderson bill, would be about $1.50 a bushel. We are proposing to break it at $1.71 a bushel, when the farmer is under quotas. That is a drastic drop from the present support program.

Mr. CAPEHART. What would be the difference between the price of wheat under the Anderson bill and under the Senator's proposal?

Mr. AIKEN. Ten cents.

Mr. CAPEHART. I should like to know how much difference there would be in the price per bushel. That is what we are really arguing about.

Mr. YOUNG. Under the Anderson bill, the level is between 75 and 90 percent of parity. Of course, the amount of the carry-over would determine whether the percentage would be 75, 80, 85, or 90.

This proposal would make it a rigid 90 percent when the farmer was under quotas. A two-thirds vote of the farmers is required, if they are to be put under quotas.

Mr. THYE. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. THYE. Reference has been made to the depression prices, such as $1.50 a hundredweight for hogs, and the drastically low prices on oats and wheat. The only reason I rise now is to call attention to the fact that that was at a time when no farm-support programs were in existence.

Mr. YOUNG. That is correct.

Mr. THYE. There had been the Federal Farm Board, and it had made some purchases of commodities, including grain. But when it reached the point where it was greatly burdened, and was unable to obtain appropriations to permit it to continue making purchases, and when the storage of wheat became a problem the farm program finally broke down, insofar as the Federal Farm Board was concerned. But the drastically low prices the able Senator from North Dakota has recently mentioned occurred at a time when there were no farm price support programs of any kind.

While I am mentioning it, all the discussion we have had here has been on the basic commodities, wheat, corn, cotton, rice, tobacco, and peanuts. The fact of the matter, insofar as the Northwest is concerned—and I do not include North Dakota, except the eastern part of the State, where there is considerable dairying and where there is considerable livestock—and in all the Midwestern States, such as Minnesota, Wisconsin, Michigan, Illinois, Indiana, Nebraska, and Iowa, and southward, there is a generally diversified type of farming, in which the major part of the farmer's income is from the livestock industry, pork, beef, mutton, dairy products, poultry, and turkeys. That particular phase of agriculture has never had specific recognition in price-support provisions.

Mr. YOUNG. I agree with the Senator. I helped put them in.

Mr. THYE. The fact of the matter is, that all the legislation which has been given any consideration has generally been based on the six basic commodities I mentioned. The others were left to the discretion of the Secretary of Agriculture. The Secretary was confronted with the question of whether he would have the money and of whether Congress would make certain appropriations to take care of the perishable commodities. It was provided that section 32 funds should be earmarked or set aside to take care of perishables, but I call the attention of the able Senator from North Dakota to the fact that in the Midwest, while we talk about the basic commodities—and they are absolutely important in the agricultural program—the perishables, such as dairy products, hogs, beef, poultry, mutton, pork, eggs, and turkeys, are major, so far as we are concerned.

Mr. YOUNG. May I interrupt the Senator for a moment?

Mr. THYE. Yes.

Mr. YOUNG. The whole fallacy of the argument of the opposition is exactly what the Senator is pointing out. The Anderson bill has the highest amount of rigid support levels for perishables ever written into any legislation, and it is done with scarcely any means whatever of control. In respect to basic commodities, every imaginable form of control is written into the law—acreage allotments, quotas, marketing agreements, loans, and everything else. The whole weakness of the bill—and I am supporting it, though it needs amending—is that there are no controls in it for perishables.

Mr. THYE. Will the Senator from North Dakota yield further?

Mr. YOUNG. I yield.

Mr. THYE. For the sake of the country folk who will read the RECORD and try to follow what we in the Senate are doing, so far as it relates to their tax money and to their support program, let us not confuse them by making them believe that the six basic commodities are all important in the agricultural support program.

Mr. YOUNG. Let me interrupt the Senator at that point.

Mr. THYE. Will the Senator from North Dakota let me continue the thought for a moment?

Mr. YOUNG. I yield.

Mr. THYE. I beg the Senator's pardon for trespassing upon his time.

Mr. YOUNG. I yield.

Mr. THYE. I wanted to carry through the thought that, while we recognize the Secretary will have a tremendous problem on perishable nonbasic commodities, they are yet subject to storage; and on that particular question the producer has agreed to take 75 to 90 percent of parity, and be very thankful for it, because this is the first time in the history of farm programs that he has been given even that much recognition. Heretofore there has been an effort to control his production by the creation of scarcities in corn and wheat through the reduction of production. He was told, "If you are short of feed, it will influence the production of perishables, and that will result automatically in high prices." But that could not be, because the program itself proved to us in the late 1930's that the wheat and corn controls did not in any sense control dairy products, nor did they control pork and beef. So there was a drastic problem facing the producer of perishables, and a drastic problem of rigid controls facing the producer of wheat, corn, and even cotton, because more than a fourth of the crop of wheat was being put under seal at 57 cents a bushel, under a commodity loan, as late as 1940. It was only the floor that saved us a little.

Mr. YOUNG. I do not like the Senator to make a speech in my time without giving me a chance to answer. He is speaking of a time when we were sealing up wheat. We are importing more wheat than we were exporting during that time. What I resent in the whole argument is that we who are trained to protect the right of the basic farm-commodity producers are accused of unreasonable things. The Anderson program drops the parity level rather severely for the basic commodities, but it ups everything for pork, beef, and dairy products. Everything is upped far above any parity program, and merely because we are trying to cushion the drop a little, we are being severely criticized, accused of sectionalism, and of ganging up.

Mr. THYE. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. THYE. First I should like to beg the Senator's pardon for trespassing upon his time.

Mr. YOUNG. I am happy to yield to the Senator.

Mr. THYE. Second, if the Senator will permit, I should like to try to answer the last statement he made. I do it in all sincere friendship, because there are very few men whom I have admired more and for whom I have felt a greater friendship than the Senator from North Dakota. I have been his neighbor, across the line. In 1920, when I was a young man, just out of military service, I traveled through his State. But the fact is that Congress appropriated more than $300,000,000 for soil conservation last year, and annual appropriations are made for that purpose. We are confronted with soil erosion. If I may trespass further on the Senator's time, I may say the good land has been eroded and wasted to a point where more than 282,000,000 acres has been denuded of its rich fertile topsoil. An effort is being made to rebuild it. There is no farm practice known to man which will tie the topsoil to the land, conserve it for future generations, and maintain its fertility, like a diversified family type of husbandry. It will produce more grain and will assist the producers of the cash crops of wheat and corn more than any other type of management.

It is for that reason that the able Senator from New Mexico [Mr. ANDERSON] and the able Senator from Vermont [Mr. AIKEN], listening to the great agricultural economists, and listening to those who are the friends of soil-conservation measures, when they were trying to influence the type of farm legislation, endeavored to bring back into balance the unbalanced situation of our farm management and husbandry. They sought to do so by bringing dairy products, beef, pork, and livestock in general up to such a level that it would be desirable to continue that type of farm practice, rather than to put corn and wheat into bins, seal them up, take the money, sit back, and wait for the next harvesting season.

Speaking of my own experience, I am a wheat producer, as well as a corn producer. More than 80 percent of my wheat acreage was taken from me this year, and I have quietly protested against the cut in my wheat acreage. But in spite of that, I must still rise in the Senate in an effort to protect future generations by seeing to it that the requirements of good farm management are taken into consideration—the type of farming which will hold the soil and preserve its fertility for the benefit of future generations.

Again I apologize to the Senator. I do not like to trespass upon the time of any Senator as I have trespassed upon the time of the Senator from North Dakota.

Mr. YOUNG. Mr. President, I thank the Senator very much. I supported the general principle of the bill. I supported the dairy section. I think the general philosophy is all right. But I think the bill goes a step too far in raising parity in connection with some of the perishables, without any protection in the bill by way of controls. Some method of controlling the production of pork and certain other perishable items should have been provided. In the spring-wheat area wheat has been selling above support levels. The Commodity Credit Corporation can reap a handsome profit in its operations this year. I do not know as to winter wheat.

When wheat was selling for from $2 to $3 a bushel for several years, the farmers enjoyed enough prosperity to buy back many of the farms which they had lost. They repaired the buildings. Many of them received REA aid, and with that REA aid they purchased millions of dollars worth of electrical equipment, bathroom fixtures, and so forth. They purchased great quantities of farm machinery, because their equipment was completely worn out when better times came. They purchased new automobiles and trucks for the same reason. They reinstated their insurance which had lapsed, and in a thousand other ways, through their regained purchasing power, created added new business for the entire Nation.

I wish to point out, Mr. President, that when a farmer is able to buy an automobile or truck, Wisconsin, Michigan, or Indiana benefits by added business. The electrical equipment and other parts of these cars and trucks are manufactured in eastern cities, thereby giving them new business. Most of their insurance policies are carried by companies who have home offices in New York and other eastern cities.

The refrigerators which they purchase, radios, electrical motors, and other such equipment are manufactured in various eastern cities. Much of the business done in the Midwest is through chain stores whose stockholders are eastern people. The profit of this added business enriches the people of the East.

I am trying to point out, Mr. President, what it means to the industrial East, including labor in the industrial East, to have prosperity in the farming area. All this purchasing power is possible if farm products can be sold at a profit.

Wheat is typical of most of the farm products. For a considerable time it sold for over $3 a bushel in the average farmer's market. Now it is down to $2 or less in this same market. This amendment which the Senator from Georgia [Mr. RUSSELL] and I are proposing does not seek to keep it at that level. Under 90 percent of parity, which we are seeking to provide at all times when marketing quotas are in effect, after the second year of operation of this bill, it will be only $1.71 a bushel. With the 75- to 90-percent support-price level, and the level of support dropped to 75 percent of parity, the local market price would be less than $1.60 a bushel.

That is in contrast with the argument made a few days ago that if the amendment were adopted it would break the whole program and would cost $5,000,000,000. I think there was more harm done by that statement in connection with the farm program than has ever been caused in any other session of the Congress.

I received a letter from a consumer a few days ago. He thought we were going to increase the cost to the consumers tremendously through an increased level of support for dairy products, beef, and so forth.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MUNDT. As one of those supporting the Young-Russell amendment when it was considered on Tuesday, I am a little concerned about the language of your modified amendment, and I should like to be sure that we shall still have adequate safeguards if the new version be adopted. The matter of acreage allotments has now been omitted. As I recall, the Senator earlier stated that he had been in consultation, over the telephone, with Secretary Brannan, and that it was the Secretary's position that if this new language, which does not include acreage allotments, is adopted, and becomes part of the Anderson bill, it would still afford adequate guaranties to the wheat farmer and that it would not reduce his support price below 90 percent, so far as the predictable future is concerned.

Mr. YOUNG. That is correct. I understood, in talking with the Secretary, that he expected the surplus to be heavy enough in the future so that in all probability we shall have quotas in many sections of the country. It is not as good a program as is the one including wheat allotments.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. ANDERSON. Is it not true that the Secretary of Agriculture, on July 14, 1949, announced that there would not be marketing quotas on wheat in 1950, and that therefore the 90 percent will not be applicable on wheat in 1950? Is not that the answer which should have been given to the Senator from South Dakota?

Mr. YOUNG. Under the Anderson bill we shall automatically have supports next year.

Mr. MUNDT. The legislation provides for that, does it not?

Mr. ANDERSON. I am not sure as to what was stricken out of the amendment.

Mr. YOUNG. We fixed it up all right.

Mr. ANDERSON. I am not so sure of that.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. LUCAS. The Senator did not fix it up all right for corn.

Mr. YOUNG. Corn has the same deal as has wheat.

Mr. LUCAS. Corn has never been under quotas. We may have quotas this year, and we will take them if we have to have them. But what the Senator's amendment will do is to put a premium on crops which have constantly had quotas, such as cotton, tobacco, and peanuts, and do detriment to wheat farmers as well as corn farmers, because corn, in all the history of the farm program, has never had any quotas imposed, and wheat has had quotas either once or twice.

Mr. YOUNG. For 2 years.

Mr. LUCAS. Twice since 1938. How the Senator from North Dakota can change his amendment to the detriment of the wheat growers of his own State is more than I can understand, because he absolutely gives to the basic crops, cotton, tobacco, and peanuts, quotas with a guaranty of 90 percent of parity, and we in the Corn Belt, if we do not have quotas, take whatever the Secretary says we should take. So will the Senator from North Dakota, so far as wheat is concerned.

Mr. YOUNG. Would the Senator prefer the amendment first offered?

Mr. LUCAS. I am talking about the last one offered.

Mr. YOUNG. The Senator opposed it.

Mr. LUCAS. The first was much better, from the standpoint of the position of the wheat farmer, than is this one.

Mr. YOUNG. How much wheat is raised in the Senator's State?

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. RUSSELL. Mr. President, I should like to point out that cotton is not under quotas at the present time. It has not been under quotas for some time. Tobacco will be under quotas, under the bill introduced by the Senator from New Mexico. So the argument of the Senator from Illinois does not apply. Tobacco will be under quota, with or without this amendment. Under the bill it is guaranteed 90 percent of parity. So if there is any disparity here it is between tobacco and commodities that are not under marketing quotas at the present time.

Mr. YOUNG. The Senator is correct.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MUNDT. I have heard too much about tobacco this afternoon. I want to know how wheat is affected.

Mr. RUSSELL. Efforts have been made to show that there has been special treatment of cotton and tobacco, and I want to point out that that is not a fact.

Mr. MUNDT. The Senator from New Mexico made a statement which was very disturbing to me. I should like to have his attention for a moment. It is his contention that if the Anderson bill passes without the Young-Russell amendment, there will be less than 90 percent of parity for wheat next year?

Mr. ANDERSON. No.

Mr. MUNDT. I gathered that impression from what the Senator said, because he seemed quite surprised——

Mr. ANDERSON. I assumed that the Senator from North Dakota was bringing up the same amendment. I am glad to have it changed. I call the Senator's attention to the fact that year in and year out it has been impossible to establish quotas on corn. He is leaving the corn farmer out of it. Therefore, he is trying to leave the wheat farmer out. Then comes the question of the rice, a commodity of which the total supply next year will be 103 percent. So the rice farmer is out of it. There are three types of farmers protected, those raising cotton, peanuts, and tobacco.

Mr. MUNDT. Mr. President, I am sure that the Senator from North Dakota has no such intention as that suggested by the Senators from Illinois and of New Mexico. We discussed this up one side and down the other and our desire is clearly to protect the price of wheat and corn by this amendment. I wonder if the Senator from North Dakota, in view of the preceding discussions and the point raised by the majority leader and the explanation of the former Secretary of Agriculture, would not consider rewriting his amendment in the exact language we had it before us on Tuesday, because if the amendment shall be agreed to, there will then be mandatory 90 percent of parity price support required for corn and for wheat under certain conditions. We have exploded the theory that it is a rigid support which operates at all times but by reverting to the original language of the amendment we shall be sure its price supports apply to wheat and corn as well as the products enumerated by the Senator from New Mexico.

Mr. YOUNG. I shall be glad to accept that modification.

Mr. MUNDT. I offer that as an amendment to the Senator's amendment, if he will accept it, that the words "or acreage control" be added.

Mr. YOUNG. I accept the amendment.

Mr. AIKEN. Mr. President, will the Senator further yield?

Mr. YOUNG. I yield.

Mr. AIKEN. I might point out that we have mandatory acreage allotments and mandatory quotas, so peanuts and cotton and tobacco, as pointed out, would have perpetual mandatory supports, but wheat would not, for the reason that the Secretary has proclaimed acreage allotments this year, and has announced that there will not be quotas.

The purpose of proclaiming acreage allotments is to govern the supply in such a way that quotas will not be necessary in future years, and if the Secretary has proclaimed the proper acreage for next year, wheat would not come under quotas, possibly for years and years to come, except during an emergency due to a very heavy overproduction because of weather conditions, or something like that.

While I am against the Senator's amendment, I am glad he has accepted the amendment to take in the acreage allotment because certainly corn and wheat and rice should be covered if the others are.

The PRESIDING OFFICER. Does the Senator from North Dakota accept the modification proposed by the Senator from South Dakota?

Mr. YOUNG. Yes.

The PRESIDING OFFICER. And thereby modifies his amendment to that extent?

Mr. YOUNG. Yes.

Mr. LUCAS. What is the modification?

Mr. MUNDT. Could we have unanimous consent to have the amendment read in its modified form, showing inclusion of the words "or acreage control" as I have suggested?

Mr. YOUNG. It will now include the words "or acreage control."

Mr. LUCAS. Then the Senator is back on the original track.

Mr. YOUNG. Yes; the amendment would now be the same as that originally offered.

Mr. MUNDT. We certainly look forward now to having the Senator's vote,

when we reach a vote, since it has been rewritten to meet his recent criticism.

Mr. ANDERSON. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield to the Senator from New Mexico.

Mr. ANDERSON. I did not agree because I felt I wanted to vote for the amendment. I merely thought I knew the Senator from North Dakota well enough to suggest that he does not want to sponsor an amendment which cuts the corn and wheat producers, but does protect cotton and peanuts and tobacco. I thought it was unfair to him to leave him in that position.

Mr. YOUNG. I always have the greatest respect for the judgment of the Senator from New Mexico.

Mr. LUCAS. Mr. President, will the Senator from North Dakota yield?

Mr. YOUNG. I yield.

Mr. LUCAS. I should like to reply to the Senator with respect to my vote. My vote will be just the same as it was the other day, and I am glad the Senator got back on the right track. He apparently had forgotten the corn and wheat farmers in our section of the country. That is one of the troubles which has developed in the past a good many times—the corn and wheat farmers usually get left out. But so far as voting for the amendment is concerned, I cannot vote for it, because it is in the same condition now in which we found it the other day.

I am a little surprised at the Senator from South Dakota falling for this kind of an amendment when practically every farm organization in the country is against the amendment, and I know that in his section they are very strong against the amendment proposed by the two distinguished Senators. While these organizations do not take much part in controlling legislation, are we going to say to certain groups by an amendment affecting all the basic commodities, especially the commodities which from now on are continuously to have quotas, as I see it, especially under Public Law 342 with respect to cotton and peanuts, "You are going to have 90 percent of parity regardless"? We out in the corn and wheat section of the country do not know whether we are going to get it or not. That is exactly what the situation is, whether we go back to the original status or whether we leave it the way it was under the last amendment.

Mr. YOUNG. Mr. President, I totally disagree with the Senator from Illinois. I have not been able to follow him in the position he has taken.

Mr. LUCAS. There is nothing new about that. There are very few who do follow me here.

Mr. YOUNG. When we passed the Aiken bill a year ago the farmers of the Midwest did not follow the farm organizations, and they will not again on this bill, the Senator can make sure. Farmers want either 90- or 100-percent supports.

It is unfortunate that some careless words were uttered on the Senate floor during the course of the debate a few days ago regarding what this 90-percent amendment would do to this farm bill and the resulting cost to the consumers of the East Wheat, for example, has dropped from more than $3 a bushel to $2 or less a bushel on the farm, yet in the East the price of a loaf of bread has not dropped 1 cent.

It costs from 9 to 11 cents a bottle to deliver an empty milk bottle at the doorstep of a consumer in the East. Support levels for eggs, which is the price the farmer has been receiving most of the time last year, ranges from 35 to 45 cents a dozen. Yet eggs in Washington, D. C., presently are selling for 85 to 90 cents a dozen or more.

It is this extreme spread between what the producer receives and what the consumer has to pay which should be of more concern to those representing big consuming areas in the East. Presently the Gillette committee, of which I am proud to be a member, is investigating this spread.

It is strange that those representing the farmers are taking the most interest in these hearings. There ought to be more Senators representing the consumers taking part in the hearings.

Only a few days ago a milk producer in New York testified that his net profits were $26,000,000 for last year. He himself received a salary of $150,000 a year, and two of his assistants received from $90,000 to $110,000.

I suggest that those representing consumers would do well to look into this, rather than cast suspicion on some of the things the producer needs, the man who is producing at low prices now.

These are things which ought to be of more concern to the Members of Congress, if the food that the consumers have to purchase will ever be reduced to any appreciable degree.

Obviously since wheat has dropped more than one-third and bread has not dropped 1 cent, it would make little difference in the price of bread, even if wheat sold at practically nothing. It is a good guess that if the farmer provided his wheat, free of charge, to the baking industry, bread would not drop more than 3 cents a loaf. I believe that to be an absolutely correct statement.

Let us briefly analyze this Anderson bill and see what it does. It lowers the parity price for the basic farm commodities—wheat, corn, and cotton. Parity under the present farm price-support program is $2.15 a bushel for wheat, while under the Anderson bill it is $1.90 a bushel. It lowers the parity formula for cotton by more than 10 percent.

From a consumer's angle this will not help him very much, because only a small part of the cost of a suit of clothes is represented by the cotton or wool which it contains.

On the other hand, Mr. President, it raises the parity price a sizable amount for butterfat, milk, hogs, eggs, beef, lambs, and other perishable farm products. These products more directly affect the consumer and add to his cost of living. I might add that the spread between what a farmer receives for pork and what the consumer has to pay is far less than in the case of wheat or any other products.

I hasten to add, Mr. President, that I do not believe this raise in parity price is unfair, as the cost of producing these foods is heavy, and through increased production of these products there will be a greater utilization of surplus grains.

I do wish to point out, Mr. President, that some of the statements made on the floor here a few days ago regarding the 90-percent-proposal amendment of the Senator from Georgia [Mr. RUSSELL] and myself were not based on fact. Probably the most important factor of all to be considered is that on all basic farm commodities there is a strict and most effective kind of control legislation now on the statute books which goes back to the beginning of these programs. Production can be effectively controlled on these basic farm commodities to the end that there is little cost to the Government. For example, presently and all during the marketing season cash spring wheat is selling above support levels and the Commodity Credit Corporation will actually make a profit on all the spring wheat that is taken over. I am not familiar with the winter wheat situation.

While the Anderson bill provides higher support levels for perishables than any action ever enacted in the history of price-support legislation, there is little and in most cases no means of controlling the production of these perishable commodities.

To any student of this legislation it should be obvious that the great cost to the Government in supporting farm prices would be in the perishable field and not in the basic farm commodity field to which the amendment of the Senator from Georgia and myself applies.

Mr. President, I wish to point out that in all the history of price-support legislation, the quota which this amendment provides was only in effect 2 years on wheat. It was proposed an additional year, but it was eliminated early in that production year. I wish to point out, too, that before quotas are operated, they must be approved by a two-thirds vote of the farmers themselves.

In all probability corn farmers would rarely vote for quotas, and only when they were in extreme difficulty. There is not a thing unreasonable, in my opinion, about the Russell-Young amendment. If it is adopted, it will make the Anderson bill a fairly good farm program. I would much prefer to have 90-percent supports for basic farm commodities at all times. It would come much nearer meeting the desires of the farmers and preventing another great national depression.

Mr. AIKEN. Mr. President, I do not think there is anything to be added to the debate as to the comparative merits of a 90-percent support program and a flexible support program. Arguments have gone on interminably in that respect and probably will continue as long as there are farm representatives.

The amendment offered by the Senator from North Dakota and the Senator from Georgia, as it now reads, provides for 90-percent support when acreage allotments or marketing quotas are in effect. I am glad that the Senator from North Dakota, whom I know has the interest of his farmers in mind at all times—sometimes I think a little too assiduously—did not intend, when he earlier modified his amendment, to leave out wheat and corn farmers. I am glad he corrected it at the first opportunity.

However, the question has been raised as to whether the Secretary of Agriculture is required to proclaim acreage allotments each year. I should like to insert in the RECORD the sections of the law which point this out very clearly. I should also like to state that on August 9, 1949, I obtained from the Solicitor's office the following information:

The Agricultural Adjustment Act of 1938 requires that the Secretary shall proclaim acreage allotments each year for corn (sec. 328), wheat (sec. 332), rice (sec. 352), and peanuts (sec. 358).

Under the 1938 act as amended, the Secretary can proclaim acreage allotments only when marketing quotas are proclaimed for tobacco (sec. 321) and cotton (sec. 344, as amended by Public Law 372).

I ask unanimous consent to have printed in the RECORD as a part of my remarks the sections of the Agricultural Adjustment Act of 1938, as amended, which show clearly that the Secretary shall proclaim acreage allotments each year for corn, wheat, rice, and peanuts.

There being no objection, the sections referred to were ordered to be printed in the RECORD, as follows:

ACREAGE ALLOTMENT

SEC. 328. The acreage allotment of corn for any calendar year shall be that acreage in the commercial corn-producing area which, on the basis of the average yield for corn in such area during the 10 calendar years immediately preceding such calendar year [1] [a] adjusted for abnormal weather conditions and trends in yield,[a] will produce an amount of corn in such area which the Secretary determines will, together with corn produced in the United States outside the commercial corn-producing area, make available a supply for the marketing year beginning in such calendar year, equal to the reserve supply level. The Secretary shall proclaim such acreage allotment not later than February 1 of the calendar year for which such acreage allotment was determined. The proclamation of the acreage allotment for 1938 shall be made as soon as practicable after the date of the enactment of this act. (7 U. S. C. 1940 ed. 1328, Feb. 16, 1938, 52 Stat. 52.)

[Public, No. 470, 75th Cong., p. 34.]

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PROCLAMATIONS OF SUPPLIES AND ALLOTMENTS

SEC. 332. Not later than July 15 of each marketing year for wheat, the Secretary shall ascertain and proclaim the total supply and the normal supply of wheat for such marketing year, and the national acreage allotment for the next crop of wheat. (7 U. S. C. 1940 ed. 1332, Feb. 16, 1938, 52 Stat. 53.)

* * * * * *

NATIONAL ACREAGE ALLOTMENT

SEC. 352. The national acreage allotment of rice for any calendar year shall be that acreage which the Secretary determines will, on the basis of the national average yield of rice for the five calendar years immediately preceding the calendar year for which such national average yield is determined, produce an amount of rice adequate, together with the estimated carry-over from the marketing year ending in such calendar year, to make available a supply for the marketing year commencing in such calendar year not less than the normal supply. Such national acreage allotment shall be proclaimed not later than December 31 of each year. (7 U. S. C. 1940 ed. 1352, Feb. 16, 1938, 52 Stat. 60.)

* * * * * *

MARKETING QUOTAS

SEC. 358. (a) Between July 1 and December 1 of each calendar year the Secretary shall proclaim the amount of the national marketing quota for peanuts for the crop produced in the next succeeding calendar year in terms of the total quantity of peanuts which will make available for marketing a supply of peanuts from the crop with respect to which the quota is proclaimed equal to the average quantity of peanuts harvested for nuts during the 5 years immediately preceding the year in which such quota is proclaimed, adjusted for current trends and prospective demand conditions, and the quota so proclaimed shall be in effect with respect to such crop. The national marketing quota for peanuts for any year shall be converted to a national acreage allotment by dividing such quota by the normal yield per acre of peanuts for the United States determined by the Secretary on the basis of the average yield per acre of peanuts in the 5 years preceding the year in which the quota is proclaimed, with such adjustments as may be found necessary to correct for trends in yields and for abnormal conditions of production affecting yields in such 5 years: *Provided*, That the national marketing quota established for the crop produced in the calendar year 1941 shall be a quantity of peanuts sufficient to provide a national acreage allotment of not less than 1,610,000 acres, and that the national marketing quota established for any subsequent year shall be [2] quantity of peanuts sufficient to provide a national acreage allotment of not less than 95 percent of that established for the crop produced in the calendar year 1941. (7 U. S. C. 1940 ed. Supp. IV, 1358 (a).)

(b) Not later than December 15 of each calendar year the Secretary shall conduct a referendum of farmers engaged in the production of peanuts in the calendar year in which the referendum is held to determine whether such farmers are in favor of or opposed to marketing quotas with respect to the crops of peanuts produced in the three calendar years immediately following the year in which the referendum is held, except that, if as many as two-third of the farmers voting in any referendum vote in favor of marketing quotas, no referendum shall be held with respect to quotas for the second and third years of the period. The Secretary shall proclaim the results of the referendum within 30 days after the date on which it is held, and, if more than one-third of the farmers voting in the referendum vote against marketing quotas, the Secretary also shall proclaim that marketing quotas will not be in effect with respect to the crop of peanuts produced in the calendar year immediately following the calendar year in which the referendum is held. Notwithstanding any other provisions of this section, the Secretary shall proclaim a national marketing quota with respect to the crop of peanuts produced in the calendar year 1941 equal to the minimum quota provided for said year in subsection (a) hereof and shall provide for the holding of the referendum on such quota within 30 days after the date upon which this act becomes effective, and the State and farm acreage allotments established under the 1941 agricultural conservation program shall be the State and farm acreage allotments for the 1941 crop of peanuts. (7 U. S. C. 1940 ed. Supp. IV, 1358 (b).)

(c) The national acreage allotment shall be apportioned among States on the basis of the average acreage of peanuts harvested for nuts in the 5 years preceding the year in which the national allotment is determined, with adjustments for trends, abnormal conditions of production, and the State peanut-acreage allotment for the crop immediately preceding the crop for which the allotment hereunder is established: *Provided*, That the allotment established for any State for any year subsequent to 1941 shall be not less than 95 percent of the allotment established for such State for the crop produced in the calendar year 1941: *Provided further*, That for the second or third year of any 3-year period in which marketing quotas are in effect the acreage allotment for each State for such year shall be increased above or decreased below the allotment for the State for the immediately preceding year by the same percentage as the national marketing quota for such year is increased above or decreased below the national marketing quota for the preceding year. (7 U. S. C. 1940 ed. Supp. IV, 1358 (c).)

(d) The Secretary shall provide for apportionment of the State acreage allotment for any State through local committees among farms on which peanuts were grown in any of the 3 years immediately preceding the year for which such allotment is determined. Such apportionment shall be made on the basis of the tillable acreage available for the production of peanuts and the past acreage of peanuts on the farm, taking into consideration the peanut-acreage allotments established for the farm under previous agricultural adjustment and conservation programs. Any acreage of peanuts harvested in excess of the allotted acreage for any farm for any year shall not be considered in the establishment of the allotment for the farm until the third year following the year in which such excess acreage is harvested and the total increases made in farm-acreage allotments in any year based on such excess acreage shall not exceed 2 percent of the national acreage allotment for such year: *Provided*, That in the distribution of such increases based on such excess acreage the total allotments established for new farms shall not be less than 50 percent of such increases.[a] [a] The amount of the marketing quota for each farm shall be a number of pounds of peanuts equal to the normal production or the actual production, whichever is the greater, of the farm peanut acreage allotment and no peanuts shall be marketed under the quota for any farm other than peanuts actually produced on the farm.[a] (7 U. S. C. 1940 ed. Supp. IV, 1358 (d).)

[Public, No. 12, 79th Cong., p. 52.]

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MUNDT. I have asked the Senator to yield simply to inquire whether that letter from the Solicitor's office was signed by the same Mr. W. Carroll Hunter, who gave contradictory testimony in the hearings before the House committee?

Mr. AIKEN. That information came from Mr. John Bagwell, of the Solicitor's office, who I understand is an expert on this particular phase of the law, and I am sure he prepares a good deal of information for the Solicitor. He is one of the reliable career men in the Department.

Mr. MUNDT. I believe Mr. Hunter has a higher position in the Department.

Mr. AIKEN. Mr. Hunter holds a higher office. I do not want to go into that subject now.

Mr. MUNDT. I do not want to discredit either man, except to point out that apparently there is a considerable amount of debate going on not only between the Senator from Vermont and the Senators from North Dakota and South Dakota about this matter, but

[1] Matter from [a] to [a] added April 7, 1938, by 52 Stat. 202.

[2] So in original.

[a] Matter from [a] to [a] substituted July 9, 1942, by 56 Stat. 653, in lieu of "The amount of the marketing quota for each farm shall be the actual production of the farm acreage allotment, and no peanuts shall be marketed under the quota for any farm other than peanuts actually produced on the farm."

also between the respective members of the Solicitor's office in the Department of Agriculture. So I would suggest that if the Young-Russell amendment, as now rewritten at my suggestion, is adopted, we run along into 1950, when it is covered by the other part of the legislation, and have them resolve the debate one way or the other in the Department of Agriculture. Next year we can then amend the law at that time to meet any situation developing out of the Solicitor's final interpretation of the basic legislation once the debate within the Department of Agriculture is ended and the final verdict publicized.

Mr. AIKEN. I might say that the Secretary proclaimed acreage allotment on wheat this year in compliance with the law. I think the Secretary would probably so advise the Senator from South Dakota. This provision of the law was suspended during the war years, as he had a right to suspend it in the event of a national emergency. But the emergency being deemed over, he has again renewed the practice of proclaiming acreage allotments as the law clearly states. I have simply asked to have the provisions of the law printed in the RECORD.

Mr. MUNDT. I am glad the Senator made that request. I suppose neither one of us can conjecture into the future sufficiently well to predict accurately which branch of the Solicitor's office is going to win that debate.

Mr. AIKEN. If the Senator can advise us of any way to compel agencies of the executive branch of the Government to interpret laws as intended by the Congress then I think he should have his statue put up alongside those of Washington, Lincoln, and Jefferson, because that is one of the greatest needs of this democratic Government today.

Mr. MUNDT. I certainly agree with that statement.

Mr. AIKEN. We have had demonstrations this year, as members of the Committee on Agriculture and Forestry know, that representatives of the Department of Agriculture, including the Senator himself, have come before the committee and placed different interpretations upon the law than were placed upon the law by the Solicitor's office itself.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MUNDT. I was even more distressed by the fact that the Secretary of Agriculture came before the committees of the Eightieth Congress testifying in support of an Aiken bill which he subsequently went before the people of the United States to condemn, during the political campaign.

Mr. AIKEN. The Senator is entirely correct in saying he did so. Insofar as I know, the first time that the public was ever urged to get back of the Aiken bill by that name was when President Truman, speaking in Los Angeles a year ago last May, referred to it as the Aiken bill and urged Congress to pass it.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The question is on agreeing to the modified amendment offered by the Senator from North Dakota [Mr. YOUNG] on behalf of himself and the Senator from Georgia [Mr. RUSSELL].

Mr. RUSSELL, Mr. WHERRY, and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

Mr. RUSSELL. Mr. President, I desire to say a few words on this amendment before the vote is taken.

I have served in this body for almost 17 years. During part of that time I was a member of the standing Committee on Agriculture and Forestry. During my entire tenure of service in this body I have served on the subcommittee on agricultural appropriations of the Appropriations Committee, which handles agricultural appropriation bills. During all that time, when I have labored with farm problems, when I have undertaken to handle agricultural appropriations, I hope that I have never been motivated by sectional prejudice against any section of the United States or against the producers of any one commodity. Time and again I have undertaken to rectify injustices, as I saw them, as they applied to the opportunities of the agricultural population of areas far removed from where I live. I have sought to inform myself about the mechanics of agricultural production of commodities which are not grown in the State whence I come, in order that I might assist in seeing that the producers of those commodities received something approximating justice at the hands of their Government in the enactment of farm legislation.

So, Mr. President, I deplore—nay, I resent—the studied effort which has been made to place this amendment upon a sectional basis, and the remarks which have been made, particularly by the majority leader [Mr. LUCAS], to the effect that only commodities which are produced in the South would benefit from this amendment.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG. I did not contact a single Senator from a wheat-producing State before this amendment was offered. In fact, Senators from the largest wheat-producing State of all, Kansas, did not even vote for the amendment. That ought to be proof of the Senator's statement.

Mr. RUSSELL. I am sure the Senator is correct. I may say that I did not discuss the amendment with a single producer or a single Senator from a State which produces cotton, before I joined the Senator from North Dakota in sponsoring this amendment. With regard to the commodities involved in the list of basic commodities, I have always sought to aid producers of those commodities, as well as other farm commodities, where it was practicable to do so, to receive assistance from their Government, to which they were entitled as American citizens.

So I deplore the little snide remarks which are made to the effect that this amendment would benefit only producers of peanuts, tobacco, and cotton. The effort is made even to make it appear, from the statement of the majority leader to the Senator from North Dakota, that the Senator from North Dakota did not know what he was talking about, and that the amendment would not benefit wheat farmers, but would benefit only farmers in Southern States.

I am glad to be associated with the Senator from North Dakota in connection with this amendment. There are a number of Members of this body who are specialists in the field of agriculture. On the occasion when this amendment was previously before the Senate I stated that in my opinion the Senator from New Mexico [Mr. ANDERSON] was one of the best informed men in the United States on all phases of agriculture. I paid sincere tribute to his service as Secretary of Agriculture. But it so happens that the Senator from North Dakota has lived out on the farm. He has operated a plow, and he has followed the reaper and binder. He has operated a tractor with his own hands. He knows something about the practical problems of agriculture from the viewpoint of the man who lives on the farm, rather than from the viewpoint of the agricultural economist who draws a maze of figures upon a chart and from them draws conclusions or formulates theories.

So this is not a sectional amendment. It is not a wheat amendment or a cotton amendment, as the Senator from Vermont [Mr. AIKEN] stated the other day, apparently with the hope that if that impression were instilled in the minds of all Senators the amendment would be defeated. It is an amendment which applies equally to all the basic commodities, wherever they may be produced. It would apply equally to corn, wheat, cotton, and tobacco. Both the amendment and the bill as reported deal exactly the same with tobacco. Tobacco should not have been mentioned in this connection, because the bill reported by the committee provides for tobacco an assured floor of 90 percent of parity. One of the arguments I have made in behalf of this amendment is that we should not give the tobacco farmers special treatment, but that the producers of all the basic commodities are entitled to be treated exactly alike.

Mr. President, as I have said, I have never spoken a sectional word on this floor in dealing with an agricultural subject. However, I wish to discuss some of the reasons why the corn farmers and their representatives have never looked with a great deal of favor upon maintaining a high floor under other agricultural commodities. In the first place, due to the peculiar conditions which existed at the time the original soil conservation legislation was enacted, they receive two or three dollars per acre in benefits for soil conservation, above the amount received by the producers of cotton and tobacco. So they received a great deal more money in the form of payments for soil-conservation practices, for carrying out the same practices as are carried out by the producers of other commodities.

By legislation the producers of corn in the commercial corn area have always had a very distinct preference over the producers of corn in other areas. Corn is produced as widely as any other commodity. It is produced in perhaps more

different States and more different sections than any other commodity. In discussing the reason why some of the representatives of producers in the commercial corn areas are opposed to this amendment, it may be said that under every law we have ever enacted on the subject the producer of a bushel of corn in Georgia can receive only 75 percent of whatever loan is given to the producer of a bushel of corn grown in the State of Illinois or the State of Iowa. So there is a very sound reason why it does not make a great deal of difference to them what their level is, so long as they have an advantage over the other corn producers of the United States. They have had it in all the legislation we have enacted on the subject. They have it in this law. When it comes to the matter of equality to the grower of a bushel of corn on the Pacific coast or in the State of Tennessee, he receives as a loan on his bushel of corn only 75 percent of the loan received by the corn farmer in the commercial corn-growing area on a similar bushel of corn. That tends to discourage the production of corn in other areas. It has not been to the interest of the corn growers in the commercial corn-growing area to favor a high loan value for corn, because it would encourage the production of corn elsewhere in the United States, outside the commercial corn-growing area.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG. I wonder if the Senator would not agree with me, that the college professors who drew up the parity formula gave corn an undue break. Because of the new hybrid varieties and the use of fertilizers in large quantities in most of the corn-producing area where there is sufficient moisture, the cost of producing a bushel of corn has been greatly reduced; yet the parity formula reduces the support level only a very little. Where most of the wheat is raised, and where much of the cotton is raised, fertilizers are not widely used. They cannot be.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. The figures to which the Senator refers were worked out by the United States Department of Agriculture, in the Bureau of Agricultural Economics, and not by the professors.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield to the distinguished Senator from New Mexico, a former Secretary of Agriculture, who will be able to throw considerable light on this subject.

Mr. ANDERSON. I only ask Senators not to refer to parity as being the product of the imagination of college professors. The farmers have fought for parity for a long, long time. It came from their hearts and their own experience. I may not have ridden behind a plow for as many hours as have some other Senators. However, I have driven tractors with my own hands. I believe that parity came from the farmers of the country, and not from college professors.

Mr. RUSSELL. There is no question about that. Parity did come from the farmers; and I am apprehensive about changing the parity formula to which the farmers have become educated over a long period of years. We had a parity formula which the farmers had come to understand. They knew what we were talking about when we spoke about parity. But when we have a parity formula based upon sliding 10-year averages and a great many other elements, the farmers do not understand. Whether the formula was drafted by an economist from the Corn Belt or from elsewhere, it certainly militates against the producers of all of the basic commodities except corn and in favor of the producers of the so-called nonbasic commodities. The corn grower is favored by the new parity formula.

One objection I have to the bill is that it changes the parity formula and puts poor old Reuben to work, after he has finally understood what we were talking about when we spoke of parity. He will be sitting up at night trying to figure out the new formula. He is going to be lost without a great many charts which will not be available to him but were used by the economists who devised the new formula.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG. I do not wish to cast any reflection upon the Senator from New Mexico [Mr. ANDERSON], but this is the parity formula which was adopted a year ago. The only change is that we have added labor costs.

Mr. RUSSELL. The Senator is entirely correct. Some of us had some ideas then as to where the parity formula might have come from. I do not have evidence, and I shall make no charge in that connection. But it does favor corn.

The Senator from North Dakota has spoken of another matter to which I wish to advert. I shall endeavor to be very brief in my remarks. Reference has been made to the fact that the parity formula in this bill is identical with that in the Aiken bill, with the exception of adding the cost of hired labor on the farms. I am very grateful that that was done. I think that is a vast improvement over the Aiken bill. But with that exception, Mr. President, the bill now before us is the Aiken bill in a new dress. The calico has been taken off and the gingham has been put on. The base has been raised from 60 percent to 75 percent. But, by and large, the measure now before us is the original Aiken bill. I was opposed to the original Aiken bill, and I am opposed to this bill, because I do not believe either one of them gives a fair deal to the American farmer. I do not believe the American farmer can live and prosper under either one of them. If they are applied, they will fail the American farmer when he stands in greatest need of assistance at the hands of his Government.

Mr. President, with all due deference to the distinguished Senator from Vermont [Mr. AIKEN], let me say that the farmers of this Nation did not like the Aiken bill, and they are not going to like this bill any better. The farmers of the United States are not going to be deceived by any idea that we have given them a great farm bill, a bill providing permanent farm legislation. They may not understand the formula that is provided in this bill; and, frankly, I do not completely understand it myself, and I can certainly sympathize with the farmers who do not understand it. But there is one thing they will understand: They will understand it when they go to seek a commodity loan and find out that it is some 15 percent lower than the loan they have been receiving on their commodities; they will understand it when they go to market their crops, and find that the parity value of their crops is substantially less than it was in the crop year 1949; and they will understand it when they are put under a reduction in production, and are unable to secure 90 percent of parity on their crops.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. I wish to point out that the over-all parity value of all farm commodities is exactly the same under the revised parity formula as it is under the old parity formula. The difference simply is that the relationship between commodities varies from year to year. Just because wheat goes down a little in price now and the price of beef goes up, does not mean that 10 years from now that situation will not be reversed, in the event that there then is a heavy surplus of beef and a shortage of wheat. But the over-all parity value of all commodities is exactly the same under the revised formula as it is under the old formula.

Mr. RUSSELL. I am completely aware of that. I understand that much about the Anderson bill, and I understood that much about the previous Aiken bill. I said then, and I say now, that the trouble with the bill is that some inconsequential commodity such as flaxseed is lumped in with the basic commodities in the determination of parity; and, under such circumstances, if the price of flaxseed were to go up a certain percentage, it would pull up with it the price of cotton and the price of wheat; but if the price of flaxseed were to go down a certain percentage, it would pull down with it the price of such great staple commodities as wheat or cotton or corn. That is why I am opposed to the present bill, because under it when the most insignificant commodity included in the parity formula makes a change in price, it will cause a similar change to be made in the prices of the great commodities on which millions of American farmers depend for their livelihood. I think that is one of the great weaknesses of the proposal now presented to us.

Mr. President, we have had long discussions on farm bills.

Every time we have ever had a farm bill before us, the question has been raised as to why we did not treat all commodities exactly alike and include all of them with the basic commodities. We had that difficulty when the farm bill was first presented to the Congress in the first 100 days of the administration of

Franklin D. Roosevelt, in 1933; and a contest then raged in the Congress of the United States as to which commodities should be designated as basic and which should not. After exhaustive study and long debate, the Congress decided that the commodities which historically had had a system of handling under which it was possible to store them and those which could be stored without deterioration or loss in value should be classified as basic commodities; and that has been the standard we have followed all through the years since that time. There is considerable difference between handling or storing a hundredweight of butter and a bushel of wheat. There is a great deal of difference between handling and storing and marketing some dressed poultry and a bale of cotton. That is the reason why this distinction was made in the first farm bill under the Roosevelt administration, and why the distinction has been continued up to this good day.

The nonbasic commodities, as I pointed out the other day, benefit from this new parity formula, in that their parity values have been increased. The parity values of the basic commodities have been reduced. The failure to adopt this amendment will assure a discrimination against the producers of the basic commodities. That is true without regard to where they are grown.

Mr. President, I do not claim to be a prophet or the son of a prophet, but I think I have some knowledge of conditions on the farms in these United States. In my opinion, this bill will be displeasing to the farmers of this Nation. They did not like the Aiken bill in its old dress; they are not going to approve of it in this new dress.

On the night of June 17, 1948, when the original Aiken bill was under consideration, I stated on the floor of the Senate that when the farmers of the United States understood what was in that bill, there would be a feeling of resentment against those who had forced it upon them. I made this statement:

> If this bill is enacted, I respectfully predict there will be some changes made in our Government. There will be some new Senators here who will be willing to see that the farmers enjoy at least a small modicum of the unparalleled prosperity which is now sweeping the country.

I went into the matter at some length. I predicted then, and I do now, that the farmers would resent it; and I stated that it was not a party proposition at all. I repeat that statement today: It is not a party proposition. The farmers of the United States—indeed, all people who believe in fair play in this Nation—are going to vote for those who they think are willing to give a square deal to the farmer. Any such reduction as the one provided by this measure in the income of farmers, at a time when all other incomes are rising, is not a fair deal for the American farmer.

Mr. President, we have voted to raise the minimum wage to 75 cents an hour. We have voted benefits of one kind or another to almost every group in the United States. I do not see how Senators can in good faith tell the farmers of the United States that they have passed a bill for their relief and benefit, when the bill is certain to reduce the incomes of the farmers of the United States.

The other evening my good friend the Senator from Illinois spoke about economy in the Government, and said that some of those who have been in favor of economy were voting for this amendment. In the first place, Mr. President, no proof has been given that this amendment will cost the people of the United States any money at all, because if marketing quotas are imposed and if production is brought into line with consumption, there will be no great loss under this proposal. All the estimates are speculative and are guesses on the part of Senators as to what the amendment will cost.

But if they involve some expenditure, Mr. President, I say they are fully warranted. We have been in session now since the 3d day of January. We have enacted a great deal of legislation. We have enacted bills which have transferred from the pockets of the American taxpayer to European and other nations some $7,000,000,000. We have passed bills to increase the salaries of Government employees, of executive officers of the Government, of the Army, and the Navy. We are preparing to increase social-security benefits, in which the farmer cannot share. I venture to say that 99 out of every 100 bills enacted by the Congress will mean an increase in the budget and in Government expenditures in 1950, and in the years to come. Not a single proposition has been advanced that would reduce the income of any citizen of this country, not even an increased tax bill to take care of the increasing costs, except in the case of the American farmer; and the American farmer is confronted here with a bill that is sure—and no man can deny it—to reduce his income.

Mr. President, the idea that the farmer's income can be increased by letting him produce more as his prices go down simply will not work. I do not see how any person ever could delude himself with the idea that a farmer is better off producing 2,000 bushels of wheat and losing 5 cents a bushel on it than to produce 1,000 bushels of wheat and make 10 cents a bushel on it. It may be the economist's dream. It may be the delight of the college professor to figure out a formula that would let the farmer increase his production and thereby absorb the reduction in his price. But when the farmer reaches the point where he has to sell his commodity for less than it costs to produce it, it is only adding impetus to his slide into bankruptcy to encourage him to produce more at less than the cost of production, with the fallacious idea that it is going to build up his income.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. YOUNG. There have been certain proposals that we extend the guaranty of support to industry, or to certain segments of industry. I should like to point out that the farmer is in a category by himself. He, so to speak, dumps his products in the street and the highest bidder takes them. In the case of automobiles or of almost any other industrial goods, the manufacturers practically set the price. There is no way of controlling the production of tractors, since the factories have set their programs to suit themselves.

Mr. RUSSELL. The Senator is eminently correct. A great deal has been made of the fact that we have lost money on potatoes and on certain other commodities that have been produced in too great an abundance. That all grows out of the war, and is an expense of war. We stepped up the production of all those commodities during the time our great conflict for survival was raging. We encouraged the farmer to produce as much as he could. We gave him every incentive to produce. Certain losses were incurred when the war ended and there was no way to dispose of those commodities. How about the other costs of the war? We poured out—I think I saw the figures somewhere—$78,000,000,000 or $79,000,000,000 in building great war plants throughout the Nation. And what did we do? We turned them over at a very low cost to some private industry in many cases; in others they are standing vacant and earning no income whatever. That is a cost of the war which exceeds by a hundredfold any costs that may have been incurred in disposing of the surplus war commodities. We passed special tax measures to give a break to industry, to enable industry to get off the war footing and back onto a civilian footing. It cost the Treasury of the United States literally billions of dollars. It was proper that we should have assisted those people in getting readjusted in the postwar period. But when it comes to the postwar period for the farmer, we point to practically insignificant losses, considered in the light of the losses that occurred in other fields, and say, "Well, we had the loss, and we have got to cut down the farmer's loan value. We have got to cut down the parity value of his commodity." These small losses were the result of his superefforts during the war. I say it is discriminatory against the farmers of our land.

Mr. President, I do not know as much about the Bible as I should. But I remember the passage which tells us the word went forth from the palace of Shushan that Mordecai, the Jew, must die. Haman built the highest gallows ever constructed, on which Mordecai was to be hanged. It turned out that Haman was hanged on those gallows. I hope my friends who have sent out to the farmers the word that their income must go down are not building a gallows on which they will be hanged in the next election.

It seems some of us never learn anything from the past. It would seem that a slight reference to the votes in the farm States—and I am not talking about the solidly Democratic States; I am talking about the formerly solidly Republican States—would be enough to let the Senate know how the farmers feel about any legislation that is going to set them backward, when we are pushing forward the income of every other group in the Nation.

I hear that all the votes are present to defeat the amendment. Senators are merely sitting here, champing at the bit, to get a chance to vote, so they can come in and slap the amendment down. The opposition say they have all the votes necessary to defeat it. I hope that will not be the case. I hope the amendment eliminating the word "shorn" in front of the word "wool" in the bill as reported by the committee will not shear away the support of those who thought this a pretty good amendment when it was still "shorn wool" in the bill instead of just being "wool," including also slaughterhouse wool. But I urge Senators to consider this matter in their minds and hearts, to determine whether they can possibly justify passing a bill that is designed to reduce the income of the American farmer at a time when every other piece of legislation enacted here is designed to increase the income of some other group. I shall not go into the figures which show that the farmers are not getting rich. I used them recently in the debate. The price of his commodities has gone up, it is true, but it has increased only about half as much as industrial wages have, the wages of those who toil in the factories, and I certainly want them to earn all they can. I realize we should seek to fix the objective of $300,000,000,000 income for our Nation. If we do not keep our national income high, we shall never be able to handle the gigantic national debt that is saddled upon us. But it is impossible to keep the income high if we start in with a bill to reduce the income of the farmers. It will set in motion forces that will drag down the whole of the national income. Dry up the farmers' buying power? Senators say it can be done—and then have prosperity in the country. It has never been possible to do it before, and it cannot be done now. The farmer may be put out of business, but when he is, the small-town merchant is put out of business. When the small-town merchant goes out of business, it puts out of business the great industries.

If we reduce the income of the farmer while trying to increase national income we are undertaking a task as impossible as that of old King Canute who tried to beat back the ocean with a broom.

I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I do not know anything about wool, but what is the significance of changing the wool amendment? Does that increase the obligations of the Government in any substantial way?

Mr. RUSSELL. I am not an expert on wool. I understand it brings in slaughterhouse wool and makes it available for loans, which is something which had not been done heretofore.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. ANDERSON. It has always been done heretofore.

Mr. RUSSELL. The Senator's original bill did not do it. It took out that category of wool. I am afraid I cannot qualify as an expert on wool.

Mr. FULBRIGHT. Mr. President, will the Senator further yield?

Mr. RUSSELL. I yield.

Mr. FULBRIGHT. What is interesting me is that we added pulled wool and took out mohair. What is the explanation of that change?

Mr. RUSSELL. I am not an expert on that. Perhaps I can answer the Senator's question at some later date.

Mr. President, I hope the Senate will accept this amendment. I do not believe that by the wildest flight of fancy it can cost the Treasury of the United States any substantial part of the estimates which have been made. Certainly, it cannot if the Secretary of Agriculture does his duty.

I want to say another thing, Mr. President. I have heard it rumored that statements had been made that the President of the United States will veto this bill if it is amended as is proposed by the amendment offered by the Senator from North Dakota and myself. I simply do not believe that can possibly be a fact. How on earth could a man be elected President of the United States very largely on the defects of an act, as he appealed to the farmers of the Nation, and veto a bill which is practically a dressed-up replica of it?

Mr. TAYLOR. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. TAYLOR. Did the Senator see the statement in the newspapers that the President said he would stay with the Vice President on this bill?

Mr. RUSSELL. No; but it just bears out what I say. I am quite sure the President of the United States, after the appeal made for the farm vote, would not even consider vetoing the bill to keep the farmer nearly as well off as he is today.

Mr. TAYLOR. He could not, after he said that it was what he wanted.

Mr. RUSSELL. I am delighted to hear that, and I appreciate the fact that the Senator has brought it to my attention.

It has been said that the American people are demanding this bill. That is carrying out the old idea that the farmer is a second-class citizen. Is he not among the American people? Is he not a citizen of the United States? He works and produces food and clothing which enable us to live. His sons have always made their full contribution in all the wars in which our Nation has been engaged. He lives close to nature and to nature's God. We never find a farmer in any subversive group. Farmers are good and patriotic American citizens. I believe other citizens of the United States, who are not engaged in agriculture, desire to see the farmers receive the small minimum of justice which this amendment will afford them.

Mr. HUMPHREY. Mr. President, I wish to take a few minutes of the Senate's time to invite the attention of my colleagues to some pertinent material which bears very directly upon the amendment which is before us, and also upon the bill.

I make the categorical statement that this is no time to be cutting price supports. Ninety percent is actually too low for basic commodities. It should be considered the very minimum in the public interest. I think we should look back into history. We can point with abhorrence to the price drop which took place in 1920 and 1921. I invite the attention of the Senate to the price drop which took place in 1920 and 1921. It was actually the beginning of the depression of the 1930's. It was the beginning of the long depression which resulted in collapse in the 1930's.

In the period of 12 months from 1920 to 1921 farm prices were drastically reduced in this great, prosperous America.

I want to point out to my colleagues that from 1920 to 1933 farm mortgage indebtedness increased by $11,000,000,000 at an average of $1,000,000,000 a year. Someone had to pay that indebtedness. Let us see on what kind of parity ratio it was paid. In 1920, the last good year the farmers had up until the war years, the parity ratio was 104. That is when the farmer was still receiving $2 a bushel for his wheat and was still making a little money. Every midwesterner in the Senate knows that in 1921 we were literally ruined. I remember what happened in my own family. I think every man on a farm was literally wiped out of existence by what happened to prices in 1921. I want the advocates of flexible parity to listen to me. Parity was 75 percent in 1921. I ask any farmer in the United States if 1921 did not practically take him to the cleaners. In 1922 it was 80 percent. I ask anyone to consider the mortgage indebtedness record of the farmer. He was going more into debt. In 1923 there was an 86-percent parity ratio. The same was true in 1924. I do not know where the farmers were who were supposed to be making a lot of money.

How about a little bit later on? How about the only year that was a good year for the farmer, which was 1928? He had 90 percent of parity. The records show that 1928 was the only year when the farmer was able to pay off more on his mortgages than he contracted in mortgages.

Let us go a little bit further. How about 1930? I ask my Republican friends: Was it good in 1930? The parity ratio was then 80 percent—not 75, but 80 percent—5 percent better than the low minimum of the bill which we are considering.

How about 1931, when every farmer in this country was on his back? The parity ratio was 64 percent, 11 points below what is contained in this bill we are now considering, and which proposes to give us prosperity.

Mr. President, I am amazed to find out that anyone could be against 90 percent of parity. We have had it only twice, and those were the only times the farmer made a dime. Anyone who has any intimate understanding of farm life knows that a farmer cannot live on 80 percent of parity. If that situation is allowed to exist, we are simply saying that farmers are not as good as other people——

Mr. LONG. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LONG. Does the Senator realize that the economic indicators show that wages in industry have been increased in the Nation, that we are increasing the compensation of Federal Government

employees 3 or 3½ percent, and that apparently the Government realizes that wages are up for everyone else in the country, but now we are proposing to cut them down for the farmers.

Mr. HUMPHREY. That is correct. When are the farmers going to get on the black-ink side of the ledger? I think it was in 1941, the first year of the war, when the farmer began to have some "jingle, jangle, jingle" in his pocket instead of having mortgages. He then had a parity ratio of 94 percent. He made money in 1942. Then the parity ratio was 106. Do Senators think he made any money in 1935, when his parity ratio was 84?

Let us for a moment ask ourselves honestly, when the parity ratio was 84, in 1935, were the farmers doing well? The only time the farmer has ever done well was when he got a ratio of 90, not less. This, I think, a study of the economic facts will definitely indicate.

The farmer's best year was in 1946. In 1946 he had a parity ratio of 121, in 1947 he had a ratio of 120, in 1948 of 115, and his parity ratio, as we all know, has gone down considerably this year.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Has the Senator the figures of per capita incomes so as to put the comparison in the RECORD?

Mr. HUMPHREY. I have, and I shall get to that. Let me point out what has been happening in recent times.

During 1948 farm crops came down 20 percent, and the average of all farm commodities dropped by an unlucky 13 percent. During 1949 the drop has continued. Farm commodities have slid down the old, familiar chute since the start of 1948 by 20 percent. Today the American farmers get $4 for the very same amount of goods that brought $5 just a little over a year and a half ago.

Perhaps some think these price declines have happened just to a few commodities which only a few farmers produce. Let no one fool himself.

Let us look at the major basic commodities. Look at wheat, for example. Since the start of 1948, wheat has come down well over one-third—36 percent to be exact. Cotton has come down from the postwar peak by 22 percent and a fifth or a sixth of the drop has come in the last year. Rice is down 36 percent from the early part of 1948, and more than half of that cut has come in the last year. Tobacco, due to various fortunate circumstances, seems to be in better shape, percentagewise at least. But look at the other great basic commodity, corn. Since the beginning of 1948 corn prices have dropped more than half—52 percent.

Mr. President, that is what price supports do. If the Secretary of Agriculture did not announce price supports, as he has on occasion, when he could announce a 90-percent price support, the prices would go way down. There has been instance after instance where the Secretary of Agriculture has had to announce a price support prematurely in an effort to bolster up the market, as he did recently in connection with some commodities. I recall particularly the case of dried milk. The distinguished senior Senator from Minnesota [Mr. THYE], the junior Senator from Minnesota and the Senator from Wisconsin went to the Department of Agriculture and asked the Secretary to announce a price support for dried and powdered milk in order to stop the drop. The price support was announced at 90 percent.

Do you know how much less the farmer is paying for the goods he must buy? We know the farmer has to plow back into his business of producing a very big share of his cash receipts. He has to buy machinery and fertilizer, milk cans and feed, and many other items, as well as food, clothing, and household goods.

Do my colleagues know how much less he is paying for what he has to buy? While corn has come down 52 percent and wheat 36 percent, and all farm commodities an average of about 20 percent, the prices of goods bought by the farmer have come down very little. Until recently the reduction was about 3 percent, and at present the average stands at about 5 percent. But that is not the whole story. Farmers buy grain and hay and animals from one another, as well as from dealers, and the reductions in these farm-produced items make up a big share of the small average drop in prices paid by farmers. In other words, if prices farmers pay for farm goods had not come down appreciably the average of prices paid by farmers for all the goods they buy would be down so little it could hardly be noticed.

As we have learned to expect, farm prices are coming down first, much the fastest, and so far much the farthest of all prices.

Thus, the purchasing power of a bushel of corn or a bushel of wheat has dropped very fast. The wheat farmer is getting less than 90 percent of parity. He is getting about 87 percent. The rice grower is getting less than 90 percent of parity. He is getting about 86 percent.

The flue-cured tobacco grower is still getting a little above parity, and the cotton farmer is not so bad off so far with 99 percent. But look at the corn producer. The Secretary informed me that as of September 15, 1949, the corn price was 75 percent of parity, because of lack of adjustment in the parity price.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Vermont.

Mr. AIKEN. Who is responsible for making these announcements?

Mr. HUMPHREY. The Secretary is, but he cannot make them day by day, because of fluctuations in the market.

Mr. AIKEN. Why can he not?

Mr. HUMPHREY. That is what he told me. I asked him the same question.

Mr. ANDERSON. The Senator states that the support of corn was set at 75, when the law required him to support it at 90?

Mr. HUMPHREY. That is correct. He said the average was down to 75 percent of parity as of September 15, 1949.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from Vermont.

Mr. AIKEN. The Senator does not suppose that by any chance the Secretary was refusing to make these adjustments in order to force the Brannan bill through Congress, does he?

Mr. HUMPHREY. I would not care to impugn the motives of the Secretary.

Mr. AIKEN. I would not care to impugn them, but I am a little amazed to hear the Senator from Minnesota say that the Secretary of Agriculture told him that the price of corn was 15 percent out of line due to lack of adjustment, when the Secretary has full power to make the adjustments. It sounds very much like what was done to the farmers last year, when they were penalized several hundred million dollars in income on grain, and were told that the Republicans were responsible for it, and the Republicans sat by and never denied it. This sounds like a little more of that.

Mr. HUMPHREY. I wish to say to the distinguished Senator that the alarm I see on the floor of the Senate now about 75 percent is the same alarm I am voicing. Seventy-five percent is not high enough, and that is the point, the Secretary should keep it up to 90 percent.

Mr. AIKEN. That is what I wanted to say. I agree with the Senator.

Mr. ANDERSON. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield to the Senator from New Mexico.

Mr. ANDERSON. If there is an absolute demand that he support it at 90 percent, and he allows it to go to 75, of what value does the Senator think the Russell-Young amendment will be in forcing him to go to 90 percent?

Mr. HUMPHREY. I am sure the Senator knows that there are times in the market when the market price gets below the parity for a short period of time.

Mr. ANDERSON. Rarely.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. CAPEHART. I understand the present law fixes parity at 90 percent. Is that correct?

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. The bill the Senator is proposing is a 90-percent parity bill; is that correct?

Mr. HUMPHREY. That is correct.

Mr. CAPEHART. Now the Senator says the price is down to 75 percent.

Mr. HUMPHREY. I said as of September 15.

Mr. CAPEHART. What makes the Senator feel, as the able Senator from New Mexico asked a moment ago, that if the Senate passes the Senator's version, for 90 percent versus the so-called Anderson amendment, the price will go up from 75 back to 90?

Mr. HUMPHREY. The Secretary of Agriculture keeps it at 75, and if we ever set the minimum at 75, he will keep it at 50.

Mr. CAPEHART. If it is 90 percent, it will be 90 percent for another year.

Mr. HUMPHREY. There are often times when there are fluctuations in the price, and there are often times when the Commodity Credit Corporation has

to make farm loans. Any man who knows anything about agriculture knows that prices do not remain static. When they fluctuate, the market is bolstered. It has fluctuated on rye, corn, wheat, hogs, and milk, a host of commodities, within the last year.

It is my information that there may be some who are afraid the farmer is getting too rich. If so, let us see how rich the farm people of America are. Last year the average income of all farm people was $905. That included food grown on the farm and eaten in the farm home. It included income earned off the farm, as well as income from farming. It added up to $905, compared with $1,572 for the average person not living on a farm.

I ask the Members of the Senate, when we take $905, which includes the farm produce the farmer and his family consume on his own farm, and compare it with $1,572, the average income of a person off the farm, how can we justify a farm-support program of less than 90 percent of parity on the basics?

Farm people are nearly one-fifth of all the people in the United States, and they get a total of less than one-tenth of the national income. The question I wish to ask is: Shall we cut that some more?

Let us not fool ourselves. If we maintain a mandatory support level of 90 percent of parity for a few commodities called basic, we will not be doing too much to prevent the disparity of either farm prices or farm income. It would be a pitifully small thing to do. We would not be doing anything directly at all for the commodities that make up the greater bulk of farm income—those important products which are not called basic. Of course, it is my considered judgment that we ought to have many more commodities under mandatory price supports, many more. I might point out that those that are under mandatory price support of 90 percent of parity, the basics, do not represent the great bulk of American agriculture.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Does the Senator believe that mandatory support of 90 percent of parity for basics would give those commodities an unfair advantage over the producers of dairy products, poultry, and meat products?

Mr. HUMPHREY. I am not opposing the entire bill that is before us, because the entire bill has within it this discretionary power to the Secretary of Agriculture which permits him to set other price supports for the nonbasic commodities, and those price supports shall be in relationship to the price that the farmer has to pay, and to the supply.

Mr. AIKEN. Does the Senator think that the Secretary would fix the price of those other nonbasic commodities at a high level?

Mr. HUMPHREY. I think he would in order to protect the economy.

Mr. AIKEN. Does the Senator know that the Agricultural Act of 1948 permits the Secretary to fix the support level for any farm commodity at 90 percent of parity?

Mr. HUMPHREY. Yes; I do know that.

Mr. AIKEN. Does the Senator think that if the Secretary would fix the support level up near 90 percent under the proposed law, when it is passed, that he would not also fix it at 90 percent under the Agricultural Act of 1948 in the event that no new legislation is enacted?

Mr. HUMPHREY. Yes; I do. I think he would.

I should like to point out in reference to what we are talking about, that is the basics, which we discussed the other day—and, to be very frank about the matter, the basics do not affect a great part of my portion of the country—that these so-called basics are called basics because of tradition. I think there are many other commodities that are much more basic in agriculture than those we are considering.

Mr. AIKEN. Let me say I agree with the Senator in that statement.

Mr. HUMPHREY. I thank the Senator. We are not even talking about beef cattle, for instance, which account for 17 out of every 100 dollars of American farm income. Beef cattle have dropped in price by about one-fourth in a little over a year. Hogs bring 12 out of every 100 dollars that farmers take in, and hogs are between a fourth and a third lower than a year ago. Milk and butterfat account for 14½ dollars out of every 100 in United States farm receipts; milk has dropped from its postwar peak by 26 percent and butterfat by 33 percent. The prices of wholesale milk and butterfat are down from a year ago by one-fifth.

I wish to commend particularly my senior colleague [Mr. THYE] on the inclusion of milk and butter and butterfat. Milk has dropped 26 percent since the postwar peak and butterfat 33 percent from its postwar peak.

We are not even talking about those important commodities that we have not seen fit to call basic commodities. I am of the opinion that the remainder of the so-called Anderson bill as it pertains to the nonbasics and the rest of the commodities other than what we call basics will, if properly applied by the Secretary and if properly interpreted according to the legislative history made in this debate, possibly suffice.

For example, I should like to see the amendment presented by my senior colleague dealing with hogs, turkeys, eggs, and chickens incorporated, to include those commodities as mandatory commodities. But if I understand the report of the committee, the bill contains what is literally a directive which provides that the Secretary of Agriculture shall support these products in relationship to the cost of other items and the supply. I am willing to accept that verdict of the committee. If we are to have 90 percent of parity for so-called basic commodities, then it is important that we also have an equally high parity for those we call the nonbasic commodities.

There are some things that would be dangerous to our farm economy. Three dollar hogs or $10 hogs will not break the country. The danger is when eggs go down to 10 cents or 25 cents a dozen. I think 80 cents or $1 corn, with the present price level, will break the country. I do not think the Commodity Credit Corporation is going to break the country. I will say for the record right now that for every dollar that the Commodity Credit Corporation has spent up to today, or will spend in the next 10 years, the mortgage losses of the American farmers from 1920 to 1936 will total twice as much. Those losses will double the amount the Commodity Credit Corporation ever spends. The millions of dollars the farmers lost in the banks, that they never could reclaim, and which were lost because of low farm prices, would amount to enough to pay off all the Commodity Credit Corporation can spend from now on for the next 2 years.

Low prices to the farmers are what will break the country, not the few dollars we are going to put out in support of the farm economy.

Mr. President, we saw what happened when the price of cotton was down. We had a depression then. When the price of corn was low we had a depressed market for cattle, for hogs, for sheep, for every commodity that the farmer had.

I submit that the record is crystal clear that the only time the American farmer has ever made one dime, the only time he has ever been able to buy his wife a new dress, the only time he has ever been able to have a 2-day vacation, is when he had a level of 90 percent parity ratio.

I submit again to those who are critics of our 90 percent proposal and who are advocates of 75 percent of parity that when in 1921 parity was 75 percent, when in 1934, it was 70 percent, when in 1935 it was 84 percent, what was happening to the country? The only time that anyone on the floor of the Senate can remember the farmer making any money was when the price got up to around 90 percent, and when the price to the farmer is around 90 percent, Mr. Farmer can be a good customer. When the price was below that what was it the farmer needed? He needed the Farm Security Corporation. He needed long range loans, with low rates of interest. He needed all kinds of bank credit. He needed to refinance himself. And generally he ended up in the ash heap. Was that good for anybody?

Mr. President, every depression that has come about has had its beginning on the farm. We are not worried around here over voting a billion dollars for stock-piling minerals. We are going to vote all kinds of money to stock-pile strategic minerals. Why? To defend America. We are willing to vote $1,300,000,000 to arm western Europe. Why? To defend America. We are willing to vote $5,300,000,000 for ECA. Why? To defend America. We are willing to vote $15,000,000,000 for the National Military Establishment. Why? To defend America. But, Mr. President, when someone mentions that we have to spend $600,000,000 upon one-fifth of the population of the country to defend the Agricultural Belt in America so that the farmers will not go "broke," so that they will have a decent farm income, so that the man who is operating a filling station, and the

grocery man will have a customer who can pay his bills, it is said we are going to break the Treasury.

I say that is so much "hogwash." We are not going to break the Treasury. The only time the Treasury is in good condition is when the farmer can buy what he needs and pays for it. The only time the country is prosperous is when the farmer receives a reasonable price for his crops. That is the basic lesson everyone has learned.

I say once and for all that I want any man anywhere to show me wherever a low price ever curtailed farm production. I want somebody to point out the record to me where low prices depleted the acreage or curtailed the production.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Flax is produced in the Senator's State. Will the Senator look at the flax picture for the last 3 years? If so he will have his answer.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I wish to answer the distinguished former Secretary of Agriculture.

Mr. AIKEN. Low prices curtail my farming.

Mr. HUMPHREY. That may be.

Let us look at House Report No. 998, Eighty-first Congress, first session, page 19. I quote:

> The shortcomings of a "low price" policy to get production adjustments, the main dependence of title II, can be illustrated by the facts of past experience. Let us choose some examples out of the period before we had national farm programs in operation—a time when the theory should have worked out in practice.
>
> Let's start with potatoes.

That is a familiar old word.

> In 1925 the national average price was $1.70 a bushel. In 1926 farmers planted the same acreage and got $1.31. The next year they increased their acreage and got $1.02. The next year they increased again and got 52 cents. In the next year, 1929, they still had 200,000 acres more land in potatoes, the year after the 52-cent price, than they had in the year after the $1.70 price.

Without even consulting the textbooks, I remember the days when we used to have farm meetings, when all my relatives used to gather in the local opera house. Every farmer would take the pledge. They would say, "We are all going home and cut our production 10 percent. Prices have gone down." The farmers learned that surpluses were killing them and that the real problem of the farmer was the surplus. So all the farmers would take the pledge and say, "We will cut our production 10 percent." They would go home and say, "Hagen is going to cut 10 percent, so we can put in 5 percent more." Everyone was assuming that the other man was going to cut down production, but he never cut production.

I continue reading from the House committee report:

> In wheat the experience has also shown that a reduced price does not lower acreage or result in lower production. From 1920 to 1924 the price went down, and it took 3 years to get an appreciable decrease in acreage. From 1925 to 1929 the price went down and acreage went up. From 1929 to 1932, the price went down and there was practically no reduction in total acreage.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. If the Senator will look at the low-price years of the 1930's he will find that they were also low-yield years. The years 1933, 1934, and 1935 were very low-yield and low-price years. If price does not affect production—and I know that the Secretary claims it does not—what was the purpose of the Steagall amendment guaranteeing a 90-percent support level for 12 commodities?

Mr. HUMPHREY. High prices affect production, to be sure.

Mr. AIKEN. Does it work only one way?

Mr. HUMPHREY. My point is that the farmer is a natural producer. When he is receiving a dollar a bushel for wheat, and next year it is 75 cents, and it is predicted that it is going to be 75 cents for the following year, he plants just a few more acres. That is the history.

My distinguished friend from New Mexico [Mr. ANDERSON] spoke about flax in Minnesota. The reason a great acreage of flax was planted in Minnesota was that we had a high support price. We started producing flax during the war.

Mr. THYE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. THYE. Let me assist the junior Senator from Minnesota. Prior to the war, Minnesota was one of the greatest flax-producing States in the Union. Redwood County, in the midsection of the western part of the State, was one of the greatest flax-producing counties in the United States.

Mr. HUMPHREY. That is correct.

Mr. THYE. Our flax paper was one of the reasons which brought the cigarette paper industry from France to North Carolina. That resulted from the steady volume of flax tow which could be obtained in Minnesota.

Mr. HUMPHREY. That is correct.

Mr. THYE. We had an outlet not only in the central part of the State, but all over the State, for flax straw and tow, to be sent to North Carolina.

I want the junior Senator from Minnesota to pay tribute to Minnesota. Long before price supports or incentive payments, Minnesota was leading the other States of the Union in the production of flax. California crowded us after the incentive payments under the Steagall amendments came into existence.

Mr. HUMPHREY. I am very grateful for the help of my colleague. I am not intimating that Minnesota was not a great flax-producing State. I wish, however, to point out that during the war, with the added implementation of price support, we had increased production of flax. Since the war we have had some acreage reduction.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. Will the Senator enlighten us as to why the Secretary of Agriculture has fixed a support price for flax next year at 60 percent of parity, when he had authority to fix it at 90 percent?

Mr. HUMPHREY. Because we had some overproduction.

Mr. AIKEN. What effect will the 60 percent have on overproduction?

Mr. HUMPHREY. I do not know; nor do I think the Secretary knows.

The junior Senator from Minnesota does not claim to be an expert, but would like the distinguished members of the Committee on Agriculture and Forestry to bring to the attention of the Senate any facts which will show that over a long period of time a lower price has resulted in reduced acreage. I want them to prove their thesis, not by flatly asking questions, but by producing evidence on the floor of the Senate that a flexible parity will reduce acreage, and thereby reduce production. Then let them produce evidence to show that a reduced acreage will result in a reduced production. There may be a new kind of seed that will expand production. The program of parity is based upon the concept that a reduced parity ratio will result in reduced production. I submit that we have no guaranty of it. It is a hope. It is a theory. I also submit that such a reduced formula may actually cost the Government more. The 75-percent rate may be applied to more bushels or more pounds.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. What does the Senator have to say about the Democratic Party platform in this connection?

Mr. HUMPHREY. The Senator from Minnesota will conclude by saying that so far as he knows, the Democratic Party promised a 90-percent program. Unless we live up to it, we misled the farmers of the Midwest.

Mr. KERR. Mr. President, I think the Senate is not only going to vote on a proposal for 90 percent of parity for certain basic farm commodities, but also on a proposal for 90 percent of parity as the foundation for the prosperity of the Nation.

The record shows that the farm population is about 20 percent of the population of the country, but that the farmers have only about one-seventh of the national income. The record further shows that the workers of the country have no more income than the farmers. When farm income was $5,000,000,000 a year in the early 1930's, the income of workers was $5,000,000,000 a year. Last year farm income was about $30,000,000,000. The income of the workers was about $30,000,000,000.

A few days ago the President of the United States said that he looked forward to the day when this country would have a national income of $300,000,000,000 a year. We all hope for that day. If that day is to be, and if the future can be judged by the past, it can only be when the farm income amounts to one-seventh of $300,000,000,000 a year. So I say that we are not only voting with reference to the farm program, we are voting with

reference to the prosperity of the country.

We hear a good deal of talk about a recession. We had one the month following the decline in the prices paid to the farmers for their products. If the workers can have full employment at good wages, and if the farmers can have reasonable production at good prices, we cannot have a depression. But I say further that unless the workers have good wages and full employment, and the farmers have good prices for reasonably full production, we cannot have prosperity. On the basis of the record, if the workers cannot receive as much per annum as the farmers, when we are talking about removing price supports from the products of the farm we are talking about removing support from under the amount of wages paid to the workers. The farmers buy 30 percent of the manufactured products of the country. They buy 30 percent of the automobiles. They buy 30 percent of all the motor vehicles. They buy 30 percent of the industrial output of the Nation.

We have had 90 percent of parity without bankruptcy. In fact, instead of encouraging or producing bankruptcy, it has written a guaranty under national prosperity. When we remove that foundation from under the farm income of the country, we are removing the foundation of prosperity.

I not only ran on a program of 90 percent of parity, with adequate controls, but I am going to vote on the basis of 90 percent of parity for basic commodities, with adequate controls. Giving proper concern to the over-all prosperity of the Nation, I see no way that we can do otherwise than approve this amendment.

Mr. GEORGE. Mr. President, I had expected to say something on this subject, but other official duties have prevented me from doing so.

I do not wish to discuss the matter at any length whatsoever, but I do wish to emphasize what the distinguished Senator from Oklahoma [Mr. KERR] has just said. The question here is not whether we are going to support prices at a given level in order to secure reasonable prosperity for the farmer, but the question is whether we are going to maintain the prosperity of the Nation. In order to meet the commitments this country already has made, we must have a national income or national productivity of above $250,000,000,000, constantly rising toward $300,000,000,000 a year. How can that be done if we reduce the income of all the farmers, particularly the income of the farmers who are producing the basic crops?

It will be said at once that we are simply going to add to the burdens on the United States Treasury and on all the taxpayers. To that statement I say, very well, let us face the fact squarely. If we reduce the price of the farmers' products, we shift the burden onto the shoulders of agriculture. Those who vote to do so, wish to put the burden on the farmers. When they do that, they start the downward process toward another depression in the United States. It is infinitely better to permit all the taxpayers to shoulder the losses which may be occasioned by a farm program such as the one here proposed for the basic crops, than it is to put that burden on the shoulders of the American producers of those crops.

Senators may figure it out as they please. I have been amazed to hear so much discussion of statistics and of parity and what it is and what it is not, and to hear various statistics presented in regard to various crops.

Mr. President, this is not a problem which can be resolved on the basis of statistics gathered in any department in Washington. It is resolved back on the farms in the country. What happens? Almost all of us are farmers or are one or two degrees removed from the farm. We know that with declining farm prices for the basic commodities, the equity will go out of everything the farmers have. In a declining market for basic commodities, farm machinery, which has not greatly declined in price, will become almost worthless within 2 or 3 years. It will lose one-third of its value the first year.

Mr. President, that is not all. What else will happen? The moment there is inaugurated a program which will assure declining prices for the basic farm commodities, the equity will go out of the land itself. In that event, land which had been worth something, which was worth something on the tax books, which paid revenues to the States and counties throughout the Nation, will depreciate in value; the revenues of the local governments will decline; and with declining revenues will come greater burdens upon the local governments, both county and State.

What broke the farmer in 1920 and 1921 was not alone the initial shock of low prices, starvation prices for his products; it was that every bit of the equity in his farm, in his machinery, in his equipment—all of it—disappeared almost overnight.

The Senator from Minnesota is entirely correct when he says that those who vote for this bill will increase the farm mortgages in the United States, when a reduction thus begins in the prices of the basic agricultural products of the Nation. Those who vote for this bill will increase the burden upon the farmer himself, and he will have to shoulder it.

We can never have a national income of above $250,000,000,000 a year unless the farmers are prosperous. We cannot meet the commitments which already have been made unless we can have a national income climbing from $250,000,000,000 up toward $300,000,000,000 a year.

That is the matter as I see it. Statistics make no appeal to me. I definitely understand that in certain years and under some conditions, the burden upon the Treasury may be increased. But, Mr. President, we must carry that burden on the shoulders of all the taxpayers, or else we shall have to shift it again, as was done after World War I, to the shoulders of the farmer; and if that is done, it will break him and will destroy his economy and will destroy the value of his holdings and will send him out into the world as a hopeless man struggling against great odds.

Mr. President, today the odds have increased. Wages have risen. The prices of all manufactured and fabricated goods have risen. Not only that, but by our laws we have frozen those prices far beyond the reach of the farmer, unless he can get 90 percent of parity, and more, for his products.

That is the condition we face. We have the choice between a prosperous nation or a nation which finally will suffer all the ills and pangs and hardships of another depression. We have the choice between having all the taxpayers share a necessary burden, whenever it is necessary for that burden to be borne, or putting all of it back on the shoulders of the American farmer. Mr. President, I do not intend by my vote to do that. As a taxpayer, I prefer—because I know it will be better for me—that the American taxpayers share that burden with the farmer.

If our economy and our whole system will not permit the farmer to prosper reasonably, then there is something radically wrong with it. If our system of economy will not support a price of 90 percent of parity, not for all crops, but for the basic crops, there is something definitely wrong with it. Either all the people of the Nation must bear a part of the burden, or it must be shifted back to the shoulders of the farmers alone.

Mr. THYE, Mr. CAPEHART, and Mr. MORSE addressed the Chair.

The VICE PRESIDENT. Does the Senator from Georgia yield; and if so, to whom?

Mr. GEORGE. I have yielded the floor.

The VICE PRESIDENT. The Senator from Minnesota is recognized.

Mr. THYE. Mr. President, there are very few men whose acquaintance I have made in recent years for whom I have a greater admiration and respect than the senior Senator from Georgia. I do not rise for the purpose of being critical, but to ask whether, in view of the soil-conservation needs of the Nation, the Senator does not concur and agree with me that dairy products, pork, beef, poultry, eggs, and turkeys should have the same specific protection as the basic commodities to which the Senator referred, namely, corn, cotton, wheat, peanuts, rice, and tobacco?

I share the same feeling for the farmer that the Senator has for him. I have been a tiller of the soil from boyhood. Even when other children were at school, I was stumbling along back of a two-horse drag, barefooted, skinning my toes because the reins were too short to allow me to get far enough back of the drag. I have a very sincere feeling for the farmer.

I want a program, too, that is basically sound. If there is anything wrong in agreeing to the amendment to which I referred recently, and that I offered, which included beef, poultry, eggs, and turkeys, I want to be put right. I put the question to the distinguished Senator from Georgia, because of my great admiration for his judgment.

Mr. GEORGE. I answer the Senator unhesitatingly; there is no reason why those commodities and products should not be supported at the proper price. I

am not so familiar with the products and their production as I am with certain of the other basic crops. Ninety percent may be right for those products also, but they certainly should have an adequate support price.

I am anxious to observe the program. Some of my good friends among farm leaders have made this appeal to me: "Let us save the program." My answer has been, "If the program is not going to be worth anything to the American farmer, I am not tremendously concerned with what becomes of it." But I do believe in the program. I unhesitatingly answer the Senator by stating there should be an adequate price support under those products; and so far as I know, 90 percent is a fair basis.

Mr. THYE. I am grateful and thankful to the senior Senator from Georgia for agreeing with me, because there is no farm operation that lends itself to soil building and to the family type of farm operation more than does dairying, poultry raising, or livestock production. For that reason, when the vote has been taken, if the 90 percent prevails, so that we know that the six basic agricultural commodities will have a first lien upon the funds with which the Commodity Credit Corporation supports prices, and if the six basic agricultural commodities are to have a first mortgage on that money, then I pray that Senators will agree with me and will tie into the basic agricultural commodities dairy products, beef, pork, poultry, eggs, and turkeys, in order that we may protect the family-sized type of farm upon which the agricural stability of the United States has been so ably built.

Mr. CAPEHART. Mr. President, I shall only take about 2 minutes. I suspect, if a stranger came onto the floor and listened to the debate for the past few days, he would come to the conclusion that we had had no price-support program, or, if we had, that it was something other than 90 percent. The facts are we have had a 90-percent price support for many years under existing law. The law which was passed last year does not go into effect until January 1 of next year, if at all. Therefore we have had a 90-percent support. Price of farm products at the moment are what they are as a result of the existing law.

I am a farmer. I have been a farmer all my life. I doubt whether there is a Senator on the floor who is closer to farming than I am. I can tell exactly what it will cost to grow the things I grow on my farm. I can tell how much it costs to operate an acre of land. When I hear of this "bushwa" or hogwash, as the able junior Senator from Minnesota referred to it a while ago, I agree with him it is hogwash when a Senator rises on the floor of the Senate to talk about a farmer never being able to buy his wife a dress, and tries to make out that the farmers of the Nation are poor. They are not poor. They are doing well, and they will continue to do well. I do not think there is a single Senator who will ever permit the farmers to get into the condition they once were in in this Nation.

The big problem is that of surpluses. I shall vote for the Anderson bill in an effort to control surpluses. It may not work. In any event, 90-percent parity is guaranteed for one year, under the Anderson bill. The flexible parity does not take effect for a year.

The whole farm problem is one of surpluses. Are we going to try to solve the problem, or are we forever going to continue on the basis of creating greater and greater surpluses? Notwithstanding what the able Senator from Georgia said a moment ago, it may well bankrupt the Nation some day. The farmers in my State, if I can believe the president of the Farm Bureau in Indiana—and we have a good Farm Bureau in Indiana, which is most active—are in favor of the flexible price support. They are farmers. They deal in farm products. They should know what they are talking about. I prefer to follow them rather than some of those on the floor of the United States Senate who possibly have not had as much experience in farming as has the Farm Bureau.

I wish to read a telegram I have received from Hassil E. Schenck, president of the Indiana Farm Bureau, Inc., as follows:

INDIANAPOLIS, IND., *October 6, 1949.*
Hon. HOMER E. CAPEHART,
Senate Office Building:

Deeply appreciate your votes Monday night on farm bill and recommitment. Our defeat on farm bill was due to too many absentees. Understand it will come out for vote again next Monday. If in contact with Senator JENNER insist on his presence or pairing with someone. If possible I shall get in touch with him by phone today.

HASSIL E. SCHENCK,
President, Indiana Farm Bureau, Inc.

I likewise received a night letter from Allan B. Kline, president of the American Farm Bureau Federation, which I wish to read, as follows:

WASHINGTON, D. C., *October 6, 1949.*
Hon. HOMER E. CAPEHART,
Senate Office Building,
WASHINGTON, D. C., *October 6, 1949.*

On behalf of the American Farm Bureau Federation, I congratulate you on your statesmanlike action in opposing the Young-Russell amendment on the critical votes Monday evening. Your vote opposing rigid 90-percent supports indicates your appreciation of the fact that this sort of legislation is the best way to discredit the farm program. We urge that you continue to exert your full influence in support of maintaining and developing a constructive, workable, permanent farm program in this session.

ALLAN B. KLINE,
President, American Farm Bureau Federation.

I understand Mr. Kline to mean, when he speaks of a workable, permanent farm program, a program which will at least have for its purpose the elimination of the causes of low farm prices.

For the reasons stated, I shall vote for the Anderson bill, in the hope that some day, somehow, we shall be able to solve the problem. The bill is at least an effort toward that end.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAPEHART. I am happy to yield to the Senator from Missouri.

Mr. DONNELL. I have been greatly interested in the Senator's reference to surpluses. I voted against the Young-Russell amendment a few days ago. I should like to ask the Senator a question, however, and I hope I may have his answer to it. Under the Young-Russell amendment the level of support is to be 90 percent of parity, but it goes further and refers to a crop of any basic agricultural commodity for which marketing quotas or acreage allotments are in effect. The question I should like the Senator to answer, if he will, is how can surpluses grow by the imposition of the 90-percent level of support when that level of support is applicable only in cases in which marketing quotas or acreage allotments, which I understand are designed to hold down surpluses, are in effect?

Mr. CAPEHART. There are probably other Senators who are better qualified to answer that question than I am. I should like the able Senator from New Mexico to answer it, and then I shall be glad to give my opinion.

Mr. ANDERSON. Even if acreage allotments on cotton are in effect next year, we will start off with approximately 8,000,000 bales of cotton, and we shall probably add to that amount if acreage allotments are in effect next year. Acreage allocations were made with respect to potatoes, and there was a tremendous potato crop. We have never in the history of the country been able to have a successful acreage allotment as to corn, and we have not even tried to have marketing quotas. Wheat acreage allotments have failed, year after year, even though we tried our very best.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I should like to yield, first, to the Senator from Vermont.

Mr. AIKEN. Mr. President, the only way in which overproduction can be held down is by the very strictest of controls over farm operations. As the Senator from New Mexico has said, every time a farmer's acreage is restricted he finds a way to produce more to the acre than the Government anticipated. That has been proved conclusively in the case of potatoes.

In this general question of controls not only are acreage allotments and quotas involved, but there are very strict penalties. A farmer can be fined half the value of his crop if he produces more than his allotment. If we want to keep the kind of Government we say we want to keep, we cannot place the farmer in a strait-jacket, because it will lead to placing everyone else in the same situation.

Mr. CAPEHART. Mr. President, I shall try to answer the Senator from Missouri as it appeals to me as a farmer. Under the amendment offered by the able Senators from North Dakota and Georgia, we can control the situation by quotas and allocations. In other words, the Government can say to me, as a farmer, "You can grow X number of acres and can sell X number of bushels of corn." Control may be had in that way. As a farmer, I want to avoid that in this country, if it is humanly possible to do so.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. CAPEHART. I shall be glad to yield in a moment.

I am perfectly willing to experiment with flexible price supports if I can avoid having the Government say to me, "You can cultivate X number of acres and raise X number of bushels of corn." I want to avoid that. That is what the farmers in Indiana want to avoid, and that is why the farm bureau in my State has taken the position which it has announced. That is our feeling in Indiana. I am now very happy to yield to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, the Senator has stated that surpluses can be controlled by acreage allotments and quotas. Does not the Senator know that at the beginning of the war acreage allotments had been in effect for a number of years, and yet at that time we had on hand the largest surplus of cotton, the largest surplus of wheat, and the largest surplus of corn we had ever had in the history of the Nation?

Mr. CAPEHART. Yes; because it did not work. My point is that the Congress could pass a law with enough teeth in it absolutely to control acreage and the number of bushels of corn a farmer can produce.

Mr. EASTLAND. Is it not a fact that the weather controls production more than do acreage allotments?

Mr. CAPEHART. I was handed a day or two ago a slip reducing the wheat acreage which I can sow this fall. I am going to comply. As the Senator has said, the weather may help me to reduce the size of the crop, or, again, the weather may be excellent, and I may raise more on the reduced acreage than I raised this year.

Mr. EASTLAND. The Senator says production can be controlled by quotas. As a result of quotas we have piled up the largest farm surpluses in the history of the country.

Mr. CAPEHART. My point is that Congress, if it wanted to, could pass a law with sufficient teeth in it absolutely to deny me the right to market each year more than X number of bushels of corn, soybeans, and wheat.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. DONNELL. As I understand the Senator from Vermont—and I want him to correct me if I am in error—he took the view that acreage allotments will not prevent surpluses, that they will simply serve to increase the amount of production and thus produce a surplus.

Mr. AIKEN. That has been proved conclusively in the case of potatoes. Since 1943 potato growers have each year planted less acreage than was recommended by the Department of Agriculture, and yet they have produced more potatoes.

Mr. DONNELL. Is that true in the case of corn and wheat?

Mr. CAPEHART. It is possibly true. There is no question that a farmer can reduce his acreage and, by better farming methods and the use of more fertilizer, can grow more per acre, provided there is good weather.

Mr. EASTLAND. And by the selection of the most fertile land.

If the Senator will yield further, I should like to invite his attention to the fact that the State of Mississippi reduced its cotton acreage practically 40 percent and increased its production 90 percent.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. YOUNG. Potatoes are usually raised in wet areas where fertilizer can be used in large quantities. Most of our wheat is raised in dry areas where fertilizer cannot be used except in a few cases. The reason why we have accumulate large surpluses is because of imports. In the 4 years previous to 1940 we actually imported more wheat than we exported.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. MORSE. I wonder if the Senator from Indiana agrees with me that the answer to the very able speeches made this afternoon by the proponents of this amendment is to be found in the statement that they show a surprising lack of confidence in the Secretary of Agriculture, because, under the Anderson bill, with all the dire predictions as to what might happen if the farmers actually start to develop, the Secretary of Agriculture has the power to raise the parity to the very 90 percent they want adopted as a blanket mandatory parity for a certain selected segment of agriculture, to the discrimination of other segments.

Mr. CAPEHART. The able Senator is 100 percent correct.

Mr. DONNELL. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. DONNELL. Am I correct in my interpretation of the Young-Russell amendment, that the 90-percent level of the support is applicable only to a crop of a basic agricultural commodity for which marketing quotas or acreage allotments are in effect, and that the level of support of 90 percent does not apply to any previously piled up surpluses which were accumulated during the period in which neither marketing quotas nor acreage allotments were in effect?

Mr. CAPEHART. I am certain the Senator is correct.

Mr. DONNELL. Let me ask another question. I have been greatly interested in what the distinguished Senator from Indiana, the distinguished Senator from Vermont, and the distinguished Senator from Mississippi have stated, particularly on this point, and I want to be sure whether I get the idea of the Senator from Indiana correctly.

Does he think that the imposition of an acreage allotment need not and will not necessarily be accompanied by a prevention of the creation of a surplus? Let me also ask him in that connection whether or not he thinks, in connection with the corn crop, if an acreage allotment is imposed, it will necessarily result in holding down the production, or does he think that by the use of addititonal fertilizer and more skillful methods of handling the land a surplus may develop, notwithstanding the acreage allotment?

Mr. CAPEHART. Mr. President, my answer could be "Yes" or "No." I am frank to say that I do not know, because I see both sides. I am a farmer. I know what a farmer can do with less acreage. Therefore I doubt if we have handled the surplus situation as yet, but I think we should continue to make an effort to find a way to handle surpluses, because that is the cause of low farm prices, and it is why I prefer the Anderson bill at this time to any other bill.

Mr. DONNELL. May I, with the Senator's permission, ask the Senator from Vermont to give his judgment as to whether or not an acreage allotment applied to corn would prevent the building up of a surplus?

Mr. CAPEHART. I am happy to have the Senator from Vermont answer.

Mr. AIKEN. It would have that effect; but, as has been stated, the crop depends on the weather to a considerable extent, and that cannot be predicted. Therefore in fixing the acreage allotment the Secretary would naturally make the allotment large enough so that we would be sure to have sufficient of a given crop. Then, if we had an exceptionally good year, like 1948 or 1949, we would get too much.

One thing I should like to point out to the Senator from Missouri is that when, through allotments and quotas, it is necessary to take land out of production of a particular crop, it is necessary to be sure that that land does not immediately go into the production of another crop which will create a burdensome surplus of that crop. If we start depending upon controls, there is no ending the controls until we control all the land, and in fact the Secretary has asked for such authority in the so-called Brannan plan, under which he would force the farmer to comply with minimum and sound soil conservation practices in order to qualify for price supports.

I am primarily for flexible supports in order to hold down controls and penalties over the farmers, because I think we must keep democracy free.

Mr. DONNELL. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I am happy to yield for a further question.

Mr. DONNELL. Does the Senator think that with the 90-percent provision, even though accompanied by an acreage allotment and not to go into effect unless there be a marketing quota or acreage allotment, we might lead farmers to cultivate their land so intensively or to cultivate it over a period of years with the same crop, that it would result in the depletion of the value of the land?

Mr. CAPEHART. It might very well do so.

Mr. LANGER. Mr. President, I wish to make my position clear. I am going to support the Young-Russell amendment. I have not spoken in favor of it because, as I conceive it, parity means justice. I do not believe in 60 percent of justice for the farmer, or 70 percent, or 80 percent, or 90 percent, but I believe in 100 percent justice for him. Therefore I am in favor of the Brannan plan, which, as I conceive it, is the very best possible plan not only for the farmers who raise wheat, but also for those who raise the other basic commodities. I wish to make my position plain that I am supporting my colleague from North

Dakota, but in my judgment he does not go far enough.

Mr. LUCAS. Mr. President, just one moment before we vote. Much has been said in the debates about 90 percent parity and flexible price supports, and what the Democratic platform had to say about that in Philadelphia, I think the Senate should know. Here it is:

> We pledge our efforts to maintain continued farm prosperity, improvement of the standard of living and the working condition of the farmer, and to preserve the family-size farm.
>
> Specifically, we favor a permanent system of flexible price supports for agricultural products, to maintain farm income on a parity with farm operating costs—

And so forth. Mr. President, that is the platform about which we have heard much from the distinguished President of the United States during this session of Congress. Democrats have been talking about carrying out the platform which was laid down at the Philadelphia convention, and as one United States Senator in the campaign last year, the Senator from Illinois, took the position that we meant what we said in that platform with respect to flexible price supports in the program of parity prices paid to the farmers.

I wanted to make this statement because so much has been said about those who campaigned on a 90-percent basis. I do not know what happened in other States, but so far as Illinois was concerned, I followed the platform. I was a member of the Committee on Resolutions which wrote this platform, and it was acceptable to the President of the United States before it was adopted at the Philadelphia convention.

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a telegram I received from Allan B. Kline, president of the American Farm Bureau Federation.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *October 6, 1949.*

HON. HARLEY M. KILGORE,
Senate Office Building,
Washington, D. C.:

On behalf of the American Farm Bureau Federation, I congratulate you on your statesmanlike action in opposing the Young-Russell amendment on the critical votes Monday evening. Your vote opposing rigid 90-percent supports indicates your appreciation of the fact that this sort of legislation is the best way to discredit the farm program. We urge that you continue to exert your full influence in support of maintaining and developing a constructive, workable, permanent farm program in this session.

ALLAN B. KLINE,
President, American Farm Bureau Federation.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. YOUNG] and the Senator from Georgia [Mr. RUSSELL]. The yeas and nays have been ordered on the amendment. As many as favor the amendment will answer "yea" as their names are called. Those opposed will answer "nay." The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). On this vote I have a pair with the senior Senator from New York [Mr. DULLES]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. CHAPMAN (when his name was called). On this vote I have a pair with my colleague the junior Senator from Kentucky [Mr. WITHERS]. If he were present, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. MCKELLAR (when his name was called). On this vote I have a pair with the senior Senator from Louisiana [Mr. ELLENDER]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. MCCARTHY (when his name was called). On this vote I have a pair with the senior Senator from Ohio [Mr. TAFT]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. KEFAUVER (when his name was called). On this vote I have a pair with the junior Senator from Iowa [Mr. GILLETTE]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. MYERS. I announce that the Senator from Louisiana [Mr. ELLENDER] is absent because of a death in his family.

The Senator from Delaware [Mr. FREAR], the Senator from Nevada [Mr. MCCARRAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Maryland [Mr. TYDINGS] are absent by leave of the Senate on official business.

The Senator from Iowa [Mr. GILLETTE] is absent because of illness.

The Senator from Kentucky [Mr. WITHERS] is absent on public business.

On this vote the Senator from Alabama [Mr. SPARKMAN], who would vote "yea" if present, is paired with the Senator from Vermont [Mr. FLANDERS], who would vote "nay" if present.

I announce also that on this vote the Senator from California [Mr. DOWNEY], who is detained on official business, is paired with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from California would vote "yea," and the Senator from Maryland would vote "nay."

I announce further that on this vote the Senator from Florida [Mr. PEPPER], who is detained on official business, is paired with the Senator from New Hampshire [Mr. BRIDGES]. If present and voting, the Senator from Florida would vote "yea," and the Senator from New Hampshire would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Maine [Mr. BREWSTER], the Senator from Kansas [Mr. REED], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Ohio [Mr. BRICKER] is absent on official business with leave of the Senate. If present and voting, the Senator from Ohio [Mr. BRICKER] would vote "nay."

The Senator from New York [Mr. DULLES] is absent by leave of the Senate, and his pair has been previously announced by the Senator from Nebraska [Mr. BUTLER].

The Senator from Vermont [Mr. FLANDERS], who is absent on official business with leave of the Senate, is paired with the Senator from Alabama [Mr. SPARKMAN]. If present and voting, the Senator from Vermont would vote "nay," and the Senator from Alabama would vote "yea."

The Senator from New Jersey [Mr. SMITH] is absent on official business with leave of the Senate. If present and voting, the Senator from New Jersey would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is necessarily absent. If present and voting, the Senator from New Hampshire would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES], who is absent because of illness, is paired with the Senator from Florida [Mr. PEPPER]. If present and voting, the Senator from New Hampshire would vote "nay," and the Senator from Florida would vote "yea."

The Senator from Indiana [Mr. JENNER] is absent on official business.

The Senator from Ohio [Mr. TAFT] is necessarily absent, and his pair has been previously announced by the Senator from Wisconsin [Mr. MCCARTHY].

The result was announced—yeas 26, nays 45, as follows:

YEAS—26

Connally	Kerr	Neely
Ecton	Langer	Russell
Fulbright	Long	Stennis
George	McClellan	Taylor
Gurney	McFarland	Thomas, Okla.
Hill	Malone	Wherry
Humphrey	Maybank	Wiley
Johnson, Tex.	Mundt	Young
Johnston, S. C.	Murray	

NAYS—45

Aiken	Hendrickson	Martin
Anderson	Hickenlooper	Miller
Baldwin	Hoey	Millikin
Byrd	Holland	Morse
Cain	Hunt	Myers
Capehart	Ives	O'Conor
Chavez	Johnson, Colo.	O'Mahoney
Cordon	Kem	Robertson
Donnell	Kilgore	Saltonstall
Douglas	Knowland	Schoeppel
Eastland	Leahy	Smith, Maine
Ferguson	Lodge	Thomas, Utah
Graham	Lucas	Thye
Green	McMahon	Watkins
Hayden	Magnuson	Williams

NOT VOTING—25

Brewster	Frear	Smith, N. J.
Bricker	Gillette	Sparkman
Bridges	Jenner	Taft
Butler	Kefauver	Tobey
Chapman	McCarran	Tydings
Downey	McCarthy	Vandenberg
Dulles	McKellar	Withers
Ellender	Pepper	
Flanders	Reed	

So the amendment offered by Mr. YOUNG for himself and Mr. RUSSELL was rejected.

The VICE PRESIDENT. The bill is open to further amendment.

Mr. ANDERSON. I move that the vote by which the amendment was rejected be reconsidered.

Mr. BYRD. I move to lay that motion on the table.

The VICE PRESIDENT. The question is on the motion of the Senator from Virginia to lay on the table the motion to reconsider.

The motion was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

INTERIOR DEPARTMENT APPROPRIATIONS—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a conference report on House bill 3838, the Interior Department Appropriations bill, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The report was read.

(For conference report, see House proceedings for October 5, 1949, pp. 14242–14243.)

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 3838, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
October 6, 1949.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 6, 17, 20, 38, 46, 47, 50, 63, 66, 83, 108, 109, 125, 128, 130, 131, 132, 133, 134, 144, 148, 156, 162, 164, 166, 172, 174, and 189 to the bill (H. R. 3838) entitled "An act making appropriations for the Department of Interior for the fiscal year ending June 30, 1950, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 11 to said bill and concur therein with an amendment as follows: In line 2 thereof, following "exceeding", in lieu of the figure "8" insert "12."

That the House recede from its disagreement to the amendment of the Senate numbered 64 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following: ": *Provided further*, That funds appropriated for the Bureau of Reclamation shall be available for expenditure through the facilities of the National Park Service in amounts of not to exceed $25,000 for any one reservoir area for studies of recreational areas and planning for their utilization, and funds so expended shall not be reimbursable or returnable under the reclamation law."

That the House recede from its disagreement to the amendment of the Senate numbered 67 to said bill and concur therein with an amendment as follows: In lieu of the matter stricken out by said amendment insert the following:

"Santa Barbara County project, California, Cachuma Unit, $5,185,000: *Provided*, That none of the funds appropriated herein shall be available for construction of physical works or the acquisition of rights-of-way until the condition contained in the contract between the United States and the Santa Barbara County Water Agency, executed September 12, 1949, concerning participation by member districts shall have been met, and the outcome of elections within the member districts shall have been favorable in sufficient member districts to approve the disposition of the quantity of water as provided in said contract to make the same effective."

That the House recede from its disagreement to the amendment of the Senate numbered 80 to said bill and concur therein with an amendment as follows: In lieu of the language proposed by said amendment insert the following: "and not to exceed $100,000 shall be available for emergency reconstruction of the northwest unit pipe line of the Grants Pass irrigation district."

That the House recede from its disagreement to the amendment of the Senate numbered 115 to said bill and concur therein with an amendment as follows: In lieu of the amount of "$2,975,700" named in said amendment insert "$975,700."

That the House recede from its disagreement to the amendment of the Senate numbered 119 to said bill and concur therein with an amendment as follows: In lieu of the amount of "$794,699.93" named in line 2 thereof insert "$784,699.93"; and in lieu of the amount of "$186,195.93" named after "Klewit Son's Company", in line 9 thereof insert "$186,195.33."

That the House recede from its disagreement to the amendment of the Senate numbered 135 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following:

"Not exceeding 12 per centum of the construction appropriation for the Bureau of Reclamation for any project contained in this act shall be available for construction work by force account and on a hired-labor basis; except that not to exceed $225,000 may on approval of the Commissioner be expended for construction work by force account on any one project when the work is unsuitable for contract or when excessive bids are received; and except in cases of emergencies local in character, so declared by the Commissioner."

That the House recede from its disagreement to the amendment of the Senate numbered 167 to said bill and concur therein with an amendment as follows: In lieu of the sum proposed by said amendment insert the following: "$3,847,000 (no part of which shall be available for obligation or expenditure with respect to the site known as Castle Clinton, situated in Battery Park, New York City, until title, including rights of ingress and egress, thereto satisfactory to the Attorney General of the United States is vested in the United States)."

Mr. HAYDEN. I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 11, 64, 67, 80, 115, 119, 135, and 167.

The VICE PRESIDENT. The question is on the motion of the Senator from Arizona [Mr. HAYDEN].

The motion was agreed to.

Mr. HAYDEN. The bill as finally adopted in conference is $40,711,639 under the budget estimates. The amount in the bill as passed by the Senate was reduced in conference by $11,163,460.

If there are any questions I shall be glad to answer them, and then I wish to make a brief statement.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MAGNUSON. There is a section of the bill which earmarks $100,000 for a building for the Bureau of Reclamation, which requires some explanation, which I have attempted to present. I ask unanimous consent that the explanation of that part of the bill be placed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I am pleased to see the language in the conference report on the Interior appropriation bill for fiscal year 1950 which earmarks $100,000 of the $68,000,000 appropriation for the Columbia Basin project in my State for plans, designs, and initiation of a headquarters building at Ephrata, from which the operation of the greatest irrigation project in the world will be directed. This building will be badly needed by the time it is completed.

I also call attention to the Senate committee's report (No. 661) on the bill at page 48, which states:

"The committee concurs in the statement on page 13 of House Report No. 324 (81st Cong., 1st sess.) that of the funds appropriated for this project $225,000 be used for new school construction and $100,000 be devoted to repair and improvement of existing school facilities at Coulee Dam, Wash., and recommends that proportionate amounts, based on the relative enrollment of the dependents of Reclamation and contractor employees, be expended on school facilities at Grand Coulee, Wash., in accordance with Public Law 835, Eightieth Congress."

Specific amounts are earmarked for construction of new school facilities and for the repair of existing school facilities at the town of Coulee Dam. The report provided that a proportionate amount be available for construction of new facilities and for repair and improvement of existing facilities at Grand Coulee. If, for example, 900 of the students at Coulee Dam, Wash., are dependents of employees of the Government or of contractors' employees, and 600 such students are in attendance at Grand Coulee, the amount available for Grand Coulee will be two-thirds of that specified for use at Coulee Dam.

By reference to Public Law 835, assistance now available under that act, and, in recognition of the unusual and extensive responsibility of the Government to these two communities, the committee indicated the minimum amount to be made available for school-construction purposes. It is my belief that the Congress intends to assist school districts in the Columbia Basin project to the fullest extent commensurate with the pupil load imposed on them by Reclamation and contractors' employees. Each case should be taken upon its merits, of course, and the localities must make an adequate showing.

The payments provided by Public Law 835, based on the average cost per pupil for instruction, in each Western State, are intended to be in addition to any assistance given directly in building funds as in the case of Coulee Dam and Grand Coulee. I believe that is understood by the Bureau of Reclamation here and in the field.

Public Law 835 with amendment No. 63 inserted by the Senate in the Interior appropriation bill was intended to clarify any question about the authority of the Bureau of Reclamation to provide assistance on account of the dependents of Bureau employees who might be working in district or other field offices and whose children have increased the school load in such towns as Coulee Dam and Ephrata. The hearings on the appropriation-bill amendment, which is the same as included in the second deficiency bill already approved, show that the Bureau of Reclamation is expected to assist school districts in the West affected by construction activities to the full extent of the additional burden imposed on these localities. When the projects are in operation, local taxes will be coming in and Reclamation will be relieved of this responsibility.

Mr. HAYDEN. Mr. President, if there are no further questions about the conference report, I shall make a brief statement.

Senators will remember that in connection with this bill there was considerable discussion with respect to transmission lines.

The Department of the Interior has stated during the hearings on this bill that its policy with respect to arrange-

ments for the delivery of power produced at Federal hydroelectric projects or for delivery beyond load centers is to make wheeling arrangements where:

First, private utilities have ample surplus transmission capacity available or are willing to construct transmission lines for that purpose.

Second, private utilities are willing to furnish such service to the Department at a reasonable price.

Third, such arrangements will enable the Department to render acceptable power service to customers having preference, under existing law, in the purchase of federally produced power.

In this connection it is necessary to state the two sources from which wheeling arrangements can be made. One is power produced at federally owned hydroelectric plants. An instance of that is at the Denison Dam in Texas, where the Texas Light & Power Co. takes the power from the bus bar. The best illustration of taking electric power from beyond load centers is in the Northwest under the Bonneville Power Administration, where it has been agreed that all the backbone transmission lines shall be constructed by the Administration, and that beyond the load centers at the end of such transmission lines the power of all the private utilities and public utilities is integrated into one great power pool, to the advantage of all concerned.

Mr. MARTIN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MARTIN. Does the Senator believe that the Administrator, if he so desired, could go ahead and build a transmission line without taking into consideration a line from a private power company which might be available to furnish the power?

Mr. HAYDEN. That was the question which was so long discussed in the committee and in the Senate. The Department of the Interior stated its policy during the hearings. I shall not read extracts from the hearings, but will place citations to them in the RECORD.

There being no objection, the citations were ordered to be printed in the RECORD, as follows:

H. R. 3838, INTERIOR DEPARTMENT APPROPRIATION BILL, 1950—REFERENCES IN SENATE HEARINGS ON POWER POLICY

1. Walton Seymour, Director, Division of Power, part 1, pages 102 and 103.

2. Douglas G. Wright, Administrator, Southwestern Power Administration, part 1, pages 1300–1301, 1334–1335, and 1341.

3. Assistant Secretary Warne, part 2, page 2467.

4. Ben W. Creim, regional power manager, region 2, Sacramento, Calif., part 2, pages 2515–2516, 2545–2546.

Mr. HAYDEN. I cite these statements for the information of anyone who is interested as to what is the actual position of the Department of the Interior.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. FULBRIGHT. There has been some misunderstanding. Some people have thought that the statement with regard to policy was carried in the Senate bill and that it has been deleted and does not appear in the report. Is it not correct that it never was in the Senate bill, but was in the report of the committee? The fact that it is not now in the bill does not indicate——

Mr. HAYDEN. It never was in the bill, and I made such statements repeatedly on the floor.

In an address delivered at Phoenix, Ariz., last September, the President of the United States complimented the people of my State upon the fine spirit shown by the private power utilities and the public power agencies in the development and transmission of electric power. He highly approved this example of mutual cooperation between the private utilities and Government agencies and recommended its adoption in other areas of the Nation.

I have talked with the President today, and feel free to say that he has not changed his mind and that it will continue to be the policy of his administration to encourage cooperation between Government agencies and private utilities to obtain the greatest possible benefits from electric power obtained from both sources.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. WHERRY. Is it not a fact that in the deliberations of the conferees a suggested policy was drafted and thoroughly discussed, which was generally accepted by the Senate conferees, along the lines mentioned by the distinguished Senator from Arizona?

Mr. HAYDEN. The Senator is correct. I stated on the floor of the Senate at that time this bill was under consideration, and I wish to repeat now, that when the time comes next year to consider appropriations for transmission lines it will be the purpose of the subcommittee of which I have the honor to be chairman to make diligent inquiry as to how the announced policy of the Department of the Interior is being carried out.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. STENNIS. Let me remind the Senator from Arizona that I was one of those who voted for the restoration of this appropriation for power lines, on the assurance by the Senator from Arizona and the Administrator of the Southwest power project that a bona fide, exhaustive effort would be made to enter into a desirable contract for the benefit of the consumers. It was felt that all those interested owed a moral and legal obligation to exhaust all efforts to do so. I am really disappointed that the report does not contain those provisions, but I appreciate very much the Senator's expression on the floor. His statement certainly reflects my view.

Mr. HAYDEN. In the CONGRESSIONAL RECORD there is a copy of a letter addressed to me by Mr. Douglas Wright, administrator of the Southwest Power Administration, confirming his intention to act in a bona fide manner to bring about the result which the Senator from Mississippi has outlined.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. MORSE. Is the Senator from Oregon correct in understanding that the conference report contains specific authorization for transmission lines, as such lines were approved by the Senate?

Mr. HAYDEN. Exactly. There was no difficulty about that.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. GURNEY. The Senator from Nebraska [Mr. WHERRY] just asked the Senator from Arizona if the understanding to which he referred had been generally accepted by the Senate conferees. It is my recollection that it was unanimously accepted by the conferees. It was expressly agreed that during the next session of Congress, early in the year, we would request a report from the Department of the Interior as to how it had gotten along in negotiating such contracts, with full information as to what facilities have been offered by the private utilities, and whether contracts have been made, and if not, why.

Mr. HAYDEN. The Senator is correct.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. WHERRY. Is it not a fact that it was the intention of the conferees—basing this question upon the remarks of the able Senator from South Dakota—that if any appropriations are asked by the Department to build lines with public funds it will be necessary for the Department to show that it has exhausted every effort to carry out the policies which the Senator has enunciated here this afternoon?

Mr. HAYDEN. I certainly feel that way about it. When a fair working policy is agreed upon it ought to be carried out.

Mr. MALONE. Mr. President——

The VICE PRESIDENT. The motion of the Senator from Arizona has already been agreed to.

Mr. MALONE. I thought the Senator from Arizona was explaining the report.

The VICE PRESIDENT. He explained it after the motion was agreed to.

Mr. O'MAHONEY. Mr. President, although the explanation comes after the act, since there has been this discussion with respect to the announcement made by the Senator from Arizona as to the position of the Senate conferees, I think the RECORD should show that by reason of the fact that there is before the Congress the recommendation of the Committee on the Reorganization of the Executive Branch of the Government, popularly known as the Hoover Commission, and in view of the fact that among the recommendations of that Commission is one dealing with the water-power resources of the United States, as well as all other natural resources, it becomes a legislative function of the Congress to act upon matters of this kind.

The Committee on Interior and Insular Affairs is now launched upon a study of this whole problem, and it is hoped by the committee that recommendations will come from the committee to the Congress during its next session.

OUR INDIAN POLICY

Mr. BUTLER. In order to conserve the time of the Senate, I ask unanimous consent to have printed in the RECORD at this point some remarks prepared by me regarding our Indian policy, which I would deliver if the opportunity afforded.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, in the Washington Daily News for October 5, 1949, Mrs. Eleanor Roosevelt's daily column makes some rather critical comments with respect to what she calls the Butler-D'Ewart bill, by which she means, I presume, my bill S. 186, which is entitled "A Bill to Emancipate United States Indians in Certain Cases."

Mrs. Roosevelt's column is entitled: "To Arms, Indians! The Congressmen Are Coming!" In this particular column she also tak : occasion to criticize certain other congressional actions aimed at granting to certain groups of Indians the same legal rights now extended to all white and Negro citizens of our country. It is clear from the tenor of her remarks that Mrs. Roosevelt thoroughly endorses the general lines of present Indian Bureau policy and the Wheeler-Howard Act, which is now on the statute books.

Because Mrs. Roosevelt's comments may help to clarify some of the differences in opinion regarding present Indian policy, I insert it in the RECORD at this point.

TO ARMS, INDIANS! THE CONGRESSMEN ARE COMING!

(By Eleanor Roosevelt)

NEW YORK, Tuesday.—One of the Soviet attacks on the democracies, particularly the United States, centers on our racial policies. In recent months the Russians have been particularly watching our attitude toward the native Indians of our country.

So the question of what we do about our Indians, important as it used to be for the sake of justice, is enhanced in importance now because it is part of the fight which we and other democracies must wage, day in and day out, in perfecting our governmental household so that it will not be vulnerable to attack by the Communists.

For that reason our country as a whole should understand what is going on at the present time in Congress in this connection. This particular little plot, shall I call it, has to do with the Navajos and Hopis. There are 11 Hopi pueblos, surrounded by Navajo country. The Navajos number about 65,000 and are the largest Indian tribe north of Mexico. The Hopis represent the most perfect flowering of pre-Columbian culture from the Rio Grande to the Arctic.

For purposes largely of publicity, the Interior Department drafted a bill to authorize a rehabilitation program. This bill reauthorized already authorized appropriations, and the interested public and the Indians gained an impression that the bill actually appropriated $90,000,000 for their needs. It did nothing of the kind. The hope was that it would create public interest and thus stir the appropriations committees in Congress to appropriate some very much needed money.

The bill was approved by voice votes in the House and the Senate and sent to President Truman.

I certainly hope President Truman will veto this bill. One provision of it would place all Navajo and Hopi Indians under the State laws of Arizona, Utah, New Mexico, and Colorado. Only a few minor exceptions in the matter of land law and property taxation were made; nothing was said of water rights; and without any exceptions the Navajos and the Hopis are placed under the jurisdiction of the State and local courts.

For a hundred years it has been the United States policy to allow Indians their own tribal, customary law. Under section 9 of this new bill we will interfere with all the things that are important to them—their religion, their art, their self-governing arrangements. The very things that those who study Indian life consider most important, this bill would destroy.

There is a constant effort going on to transfer Indian property to whites and one of the most successful ways in the past has been to disrupt the Indian social system. Between 1887 and 1933, through land allotments, we transferred 90,000,000 acres of the best Indian land to whites. This was largely done by the method of persuading or compelling the individualization of tribal properties.

In 1934, under the Indian Reorganization Act, land allotments were stopped. Now there is still another bill up for consideration, called the Butler-D'Ewart bill. This authorizes any Indian individual, if declared competent, to sell his equity regardless of the consent of the coowners and, of course, strikes a body blow at all Indian corporate holdings. The intent is similar to the Indian omnibus bill of 1923 which Albert D. Fall nearly succeeded in getting enacted.

There are many other things that are being done in Congress at the present time and which the public knows little or nothing about.

Are we indifferent to the way our Indians are treated? If not we had better let our representatives in Congress know that we do not like the present trend of legislation.

Mr. President, it is a complete mystery to me how a person like Mrs. Roosevelt, who believes so strongly that segregation between white and Negro people should be destroyed, can apparently believe that the segregation system for Indians should be preserved and strengthened. I do not mean any disrespect to our former First Lady. I simply cannot comprehend how any person can arrive at such opposite opinions on two problems which are basically so nearly identical. Let me say frankly that I do not believe Negroes should be segregated, and I do not believe Indians should be segregated. Any institution or any public policy which strengthens and enforces segregation for these two minority racial groups in my judgment is wrong. Right or wrong, that is my opinion, and I am at least consistent.

In order to make this issue crystal clear, I should like to call attention to the principal provision of my bill, S. 186, to which Mrs. Roosevelt takes exception. Very simply, it grants to any Indian who desires it, the right to handle and control, to sell, or to use as he sees fit, his own property, provided only that an unbiased court of the land decides that he is competent to handle his own affairs. That is the same right possessed by every white, Negro, or oriental citizen or resident of this country. If an Indian cannot secure a "decree or judgment of competency" from the naturalization court for his area, his land would continue to remain in a trust status just as it is now.

Mr. President, the country and the Indians have reached the crossroads with respect to Indian policy. Two paths are open before us and the Indians. One path leads to an indefinite continuation and strengthening of the reservation policy, which keeps the Indians isolated and segregated, away from contact with the whites who might teach them and help them to adjust to the demands and to the opportunities of modern civilized life. If the Nation and the Indians follow that path, there is nothing in prospect except an unlimited perpetuation of the semifeudal, poverty-stricken, second-class-citizenship status of the Indians. With probably the best of intentions, that is what Mrs. Roosevelt proposes.

The other path is assimilating and teaching the Indians the things that the white men have learned and created, so that the Indians may advance as rapidly as possible toward a status of equal independence, equal rights, and equal responsibilities with the white race. That cannot be done if the Indians are kept out of the main stream of American life and herded off in remote reservations. The Indians can advance rapidly only as they can come into close and continuous contact with the white men and the ways of the white men.

This issue goes far beyond the specific bills to which Mrs. Roosevelt refers. At the present time, Mr. President, we are facing a subtle and insidious drive to strengthen the power of the Indian Bureau and to give it broader authority over the destiny of the Indians.

This drive takes the form of two sets of bills which are being put forward. One set would transfer away all congressional authority over the expenditure of tribal funds, which I am advised amount to approximately $35,000,000. The other set of several bills would likewise transfer away all congressional authority over the funds appropriated by Congress of millions of dollars to specific Indian tribes, made in the name of Indian welfare and rehabilitation. In both instances the transfer of authority would be from Congress to puppet tribal councils, but in fact, to the Indian Bureau, which controls them.

Good examples of the first type of bill are S. 929, S. 1564, S. 1633, and S. 1763. Examples of the second type are S. 1691, S. 1690, and H. R. 6152. Another good example of this second type is the draft of a bill submitted to Congressman CASE, of South Dakota, and placed in the CONGRESSIONAL RECORD on August 25, 1949. Let me state very definitely that Mr. CASE did not endorse this draft. He simply placed it in the RECORD for study and consideration, which was an excellent idea. This particular draft, prepared and recommended by the Indian Bureau, would require $50,000,000 for the 6,299 families of Sioux Indians of North and South Dakota alone, or about $8,000 per family. These various bills generally provide for loans to Indian groups under Indian Bureau supervision—loans maturing in 25 to 35 years, if ever, thus perpetuating the Indian Bureau. They provide lavishly for the purchase of private land into trust status and communal use, and freed from all State and local taxes. They include in Indian groups to participate in public charity, many thousands of non-Indians as defined by the courts and under the Wheeler-Howard Act.

Preposterous as it may appear, these bills propose to purchase, restore, and consolidate lands into Indian reservations where the Indians are completely

segregated from their white neighbors on tax-free lands closed to non-Indian settlement. Even more preposterous they propose to admit to participation with Indians in all Federal gratuities within the closed reservations large numbers of persons who are three-fourths white, though even the Wheeler-Howard Act defines an Indian as one having one-half or more of Indian blood. These bills are intended to keep the Indians forever on closed reservations and to recapture those who have escaped from the Indian Bureau and who have merged with their non-Indian brothers as equal citizens.

Notice has been given that many more such bills for the pretended rehabilitation of other Indian groups are soon to be presented to Congress.

Congress may well examine the background of this policy which the Indian Bureau and the Department of the Interior are attempting to inaugurate.

The further usefulness of the Indian Bureau has been challenged at various times during the past 50 years by well-informed Members of Congress and even by some of its own higher officials. For many years John Collier challenged its inefficiency, its waste, and its destruction of the intrinsic values in Indian life. But when he became Commissioner of Indian Affairs he supported the Secretary of the Interior, Harold Ickes, in rebuilding the Indian Bureau into a bureaucratic instrument for extracting appropriations from Congress in the name of Indian groups.

Under the slogan Land for Landless Indians, Mr. Collier, supported by the influence of the Secretary of the Interior and his solicitors, forced the Wheeler-Howard Act through Congress in 1934 and imposed it upon the Indians. It is doubtful whether Mr. Collier understood the real significance of the act. He was engrossed in the plans for the self-determination of the Indians. He may not have realized that Ickes was intent on using the act to build up a supporting empire for his department out of public domain and the purchase of private lands. This land was then available for use by the Indian Bureau in various tax-free enterprises in competition with private taxpaying industries.

The Indian Bureau perpetrated the lie upon the public, that the Indians had lost 90,000,000 acres of land since the allotment act of 1887. They had not lost the land. They had sold it. Ickes announced later that the Government itself had paid Indians $800,000,000 for land. Besides they have plenty of land left—so much that they are leasing 12,000,000 acres of it to non-Indians. This land was not lost to the Indians any more than have been lost to non-Indians the millions of acres sold by them during a like period.

The Wheeler-Howard Act provided—

First. That existing periods of Federal trust on all Indian lands were extended indefinitely—although many Indians had been promised fee patents under treaty, and all others had been been so promised directly or by implication. Besides, though some Indians might not want fee patents, all other citizens had a stake in them as future contributing citizens.

Second. So-called surplus lands, lands which the Indians had ceded or sold after they had made their own selections from them could be returned to Federal trust and common use by the Secretary of the Interior, in the name of the tribe which had originally disposed of them. This led to the dispossession of legal non-Indian settlers through cruel and unjust measures of the most revolting nature. The mass eviction of settlers in the Wind River country of Wyoming is an example.

Third. All future allotment of land to Indians was forbidden. This provision turned back the clock of Indian progress 50 years and it gave the Secretary of the Interior an opportunity to force individual owners to turn back their allotments into the common pot of community ownership from which perhaps they could never be recovered.

Fourth. Lands might be purchased by the Secretary of the Interior for use of various tribes or groups. He could use Federal or tribal funds or both. Under this provision came the fantastic purchases of the Padlock Ranch in Wyoming, the Schermerhorn in Minnesota, and the XL in California, as well as divers other lands and ranches to be operated by the Indian Bureau.

Fifth. The Secretary was authorized to create new Indian reservations, a thing that had not been done for 50 years, and to regather dispersed Indians. After creating a few reservations in the Western States, Ickes turned his attention to Alaska where he was making a good start at dividing up the territory among the native groups until somebody stopped him and returned the land to the Territory until it could become a State.

Sixth. All tribal land, all reservations created, all surplus lands returned to trust, all lands purchased for Indians, were to be held in perpetual trust. What was more significant, they were to be held for the communal or common use of the particular Indian groups concerned. Of course, no Indian groups were any more able to make common use of lands than would be any groups of non-Indians. The lands are managed by the Indian Bureau or lie idle. But in order to make the Secretary more secure in his authority over Indian lands, his chief solicitor issued the opinion that "under the rule of communal ownership no individual member of the tribe has any enforceable vested interest in the communal lands or funds." This gave the Secretary complete control over all Indians who had any interest in tribal property.

Seventh. Any group of Indians that accepted the Wheeler-Howard Act was to be permitted to organize under a constitution approved by the Secretary of the Interior, who could then offer them a charter permitting them to do whatever he would direct or allow. This furnished busy work for John Collier and at the same time served Ickes in furnishing rubber-stamp councils to approve what he wanted to do or not to do. Such councils came in handy in the land program of the Department.

Eighth. The Wheeler-Howard Act provided for a $10,000,000 revolving loan fund for groups which accepted the act. It was intended and used as an attractive bait for the Indians to accept. Like all other provisions, it was used to control the Indians and support bureau enterprises. It led to the establishment of what the Commissioner called 80 branch banks.

Mr. Collier's purpose in the Wheeler-Howard Act was to set up under his leadership self-governing Indian groups which would become a part of a far-flung but invisible Indian empire including the 30,000,000 primitives of South and Central America and Mexico. He failed with the Indians at home but was partially successful with those abroad in that he was able through the farcical treaty of Patzquaro to provide for an international Indian institute and through it for a national Indian institute through which he hoped to develop his mystical Indian state.

Mr. Ickes envisioned entirely different results to be gained through the Wheeler-Howard Act. He would use it in a practical way to build up his land empire out of public domain and private land. He was acquiring a 160,000,000-acre grazing bureau and at the same time importuning President Roosevelt to take 135,000,000 acres of forestry away from the Agriculture Department. He was preparing to use the Indian Bureau, national forests, national parks, the Grazing Bureau, a great fertilizer bureau, and his oil lands control, including tidelands, to gather in the remaining public domain and much private land which would be relieved of State and local taxes in lieu of fees and royalties for departmental support.

Under the authority of the Wheeler-Howard Act, the Indian Bureau organized more than a hundred Indian groups, exclusive of those in Alaska, under constitutions. Many of the groups were small, some of them having less than a score of adult members. Each of the groups organized, if living on or near land held in trust for them, was authorized by the Secretary of the Interior to include within its jurisdiction all land within the outer boundaries of the original reservation of which it had ever been a part, even though the territory claimed had been sold and ceded by the Indians and had been legally settled by non-Indians. This gave the Secretary an excuse for claiming many times the amount of land actually held in trust for the group that was being organized. Even though the land was legally settled by non-Indians, the Secretary was able in some cases to restore it to trust through decree or purchase on his own terms, and to evict bona fide legal settlers.

In a great many instances, some residue group of mixed bloods having no tribal organization or relations was organized and chartered as a center around which nonresidents and even non-Indians could be gathered, and for which land could be purchased or to whom it could be restored.

The groups, small and larger, organized under approved constitutions, were given Federal charters of incorporation as political action units operating apart from those among whom they lived—little groups of preferred citizens called

to act for the former Secretary in his land acquisitions and in his experiments in economic controls. Their councils were always subject to Indian Bureau control through the granting or withholding of benefits.

Can anyone doubt that this was all according to plan when he observes how the organizations are now used to transfer authority away from Congress? Mr. Ickes is gone from the Department of Interior, but his policies live on, within the Indian Bureau at least. Today we see proposed a preposterous transfer of authority over Indian Affairs from Congress to puppet councils under the control of the Indian Bureau which has the legal right to delegate to, or withhold authority from, such Indian councils.

The Indian Bureau not only sponsors bills designed to take away the power of Congress over Indian Affairs and to perpetuate itself, but these bills also provide for the purchase of lands to consolidate reservation holdings to be used by the Indian Bureau or under its administration. The bills further provide for great loans to Indian groups—loans maturing in from 35 to 50 years—to be used by the Indian Bureau as it has used the $10,000,000 loan fund under the Wheeler-Howard Act for its own enterprises on its controlled, tax-free Indian land.

In scores of instances during the past 15 or 20 years, the return of land to Indian reservations or additions to them by purchases out of private ownership, have so reduced the taxable holdings of surrounding communities that they are finding it difficult to support local government. For instance, the purchase of the Schermerhorn farms in Minnesota robbed Mahnomen County of several thousand dollars in taxes, thus increasing those of other citizens. The acquisition did not even benefit the Indians, since the Indian Bureau operates the properties for the supposed benefit of Indians scattered through many States and to whom no accounting can be made. South Dakota now finds it difficult to operate county government in the vicinity of Standing Rock, Rosebud, Pine Ridge, and its other big Indian reservations where the Indian Bureau operates on tax-free Indian land. There are scores of instances in which the welfare of Indians and non-Indians alike suffer from the reduced ability of communities to support the common welfare.

To give a general picture of this situation, let me quote from Senate Report No. 310, Seventy-eighth Congress:

> Let us take an example from Montana: Lake County, Mont., has 54 percent of its land tax exempt by reason of Federal-trust Indian property, yet for 30 years since allotment of the Flathead Reservation the Indians have lived in peace with their white neighbors. They go to school with them; they marry with them; they enjoy all the privileges of the best local government that can be supported by taxpaying citizens. As a further handicap to the communities, not only is more than half the land exempt from taxation, but the Indians having less pride in lands held for them, lease most of them to non-Indians who as renters are inclined to large families thus greatly increasing the burdens of the communities in which the Indians usually continue to reside so that the costs of education, welfare, and rehabilitation are doubled.
>
> After the allotment of the Flathead Indians and the settlement of the surplus lands, the various communities, in anticipation of the time when all land would become taxable, bonded themselves to the limit to supply adequate schools and educational facilities. Now, after 30 years, they are still bearing the burden of support while the schools need repairs and extension to meet new requirements. The pittance of tuition paid for a part of the Indians (not for half of those in school and none for the children of lessees) is an insult to the Indians for whom it is paid and is wholly inadequate for the Indians' part in the support of education. The Indians have cast their lots with the whites and have been accepted. If the educational and economic system under which they live breaks down, they suffer equally with the whites, or even more, because it is difficult for them to maintain their self-respect or that of their white neighbors for them when they are powerless to bear their part of the burden, and their sponsor fails to do it for them.

The Indian Bureau is not now, and never has been, a political issue. It has been repeatedly condemned by leaders of both great parties, but has also been supported by both with ever-increasing appropriations in spite of the merging of the Indians into the white community. The Indian Bureau is costing many times as much now as it did when the Indians really needed it. If the Bureau had been supported in a decreasing ratio as Indian need for it declined, the Indians, except for a few unfortunate residues, would be independent and contributing citizens now. But the Indian Bureau is not concerned so much with residue groups as with those who have funds and property which it can control to its own support.

In 1945, after the Indian Bureau had just finished spending over $500,000,000 in the preceding 10 years, Assistant Commissioner Zimmerman made an extraordinary admission. When he was asked by a committee of Congress why he wanted such great increases in funds and what he had accomplished with former appropriations, he answered that during the past 10 or 15 years the Indian Bureau had probably touched with benefit a possible one-sixth of the Indians, but he said that there were many thousands of them still living on the very lowest level of economic existence that had not been touched. Evidently, the Bureau must have spent its money on the upper strata if it had not been able to reach the lower. Only 2 years before Mr. Collier, also asking for increased funds, had told Congress that most Indians managed to make their own living without help from the Federal Government except such as it rendered to its citizens in general. We are forced to the conclusion, therefore, that the Indian Bureau spends its money on the able Indians rather than upon those "living on the very lowest economic level."

It is interesting to note that William Zimmerman, the Acting Commissioner and now Assistant Commissioner of Indian Affairs, on February 8, 1947, in his testimony before the Senate Committee on Civil Service, recommended that a group of 10 Indian tribes were then ready for freedom from the Indian Bureau and 19 Indian tribes would be ready to be released from Federal supervision 10 years from that time—February 8, 1947. None has been released, yet the Indian Bureau now comes asking that Congress appropriate millions of dollars for the rehabilitation of some of these same tribes.

It is a tragic fact that during the past 15 years fewer Indians have escaped from the Indian Bureau into citizenship than have done so during any period of like length during the past hundred years. If now we enter upon a 50-year program of expenditure to establish the Indian Bureau on a grander scale than ever before, there will be fewer and fewer of them becoming real citizens. We must save the Indians from the Indian Bureau.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes.

The VICE PRESIDENT. The committee amendment is open to amendment.

Mr. MAGNUSON. Mr. President, to the committee amendment, I offer the amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment, on page 25, after line 5, it is proposed to insert the following:

> SEC. 416. Subsection (f) of section 22 of the Agricultural Adjustment Act, as reenacted by section 8 of the Agricultural Act of 1948 (Public Law 897, 80th Cong.), is hereby amended to read as follows:
>
> "(f) No international agreement hereafter shall be entered into by the United States, or renewed, extended or allowed to extend beyond its permissible termination date in contravention of this section."

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WHERRY. I thank the distinguished Senator.

Mr. President, I should like to ask the acting majority leader whether, in view of the statement made earlier today by the majority leader that he intended to have the Senate take a recess at 6 o'clock this evening, it is the opinion of the acting majority leader that there will be a vote on this bill tonight, following the disposition of this amendment.

Mr. MYERS. Mr. President, after this amendment is disposed of, I think we could very well take a recess until Monday. A vote may be taken tonight on this amendment; but after this amendment is disposed of, it is the desire to have the Senate take a recess until Monday. So there is a possibility that we shall vote on this amendment this evening.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. AIKEN. Does the acting majority leader believe it will take much more time to conclude action on this bill?

Mr. MYERS. It may very well take further time.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WHERRY. The statement previously made by the majority leader was that he desired to have the Senate take a recess at 6 o'clock this evening. Then some Senator engaged the Senator from Oklahoma in colloquy relative to whether an amendment in the form of the Brannan plan would be offered to the committee amendment; and I understood the Senator to reply in the affirmative. Therefore, it seemed that final action on the bill could not be taken by 6 o'clock this evening.

So, following the disposition of the Magnuson amendment, I wonder whether the Senate will take a recess until Monday.

Mr. THOMAS of Oklahoma. Mr. President, if the Senate will be patient and will wait a little longer, I see no reason why the bill cannot be passed tonight.

Mr. FULBRIGHT. Mr. President, I have an amendment which I intend to discuss. Its discussion will take far beyond 6 o'clock. I do not think there will be time to pass the bill tonight.

FURTHER LEAVE OF ABSENCE FOR SENATOR McCARRAN

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. O'CONOR. Mr. President, I have before me a statement from the distinguished senior Senator from Nevada [Mr. McCARRAN] which has been transmitted from Europe. I should like to read the statement to the Senate, and then I wish to propound a unanimous-consent request, based upon the statement the Senator from Nevada makes.

The statement from the distinguished senior Senator from Nevada is as follows:

I have conferred with officials of the Displaced Persons Commission, the United States Consular Service, the Immigration and Naturalization Service, the International Refugee Organization and voluntary agencies, the Lutheran World Federation, the National Catholic Welfare Conference, and the American Joint Distribution Committee. My studies and investigation have included all major areas of Germany having displaced persons. Authentic information discloses to me fraud in essential documents, misrepresentation, maladministration, and violation of law.

All of the officials agreed that the program under the present act when completed will have taken care of the persons actually displaced by the recent war, except for a so-called hard core which covers a group of applicants who are disqualified under the immigration laws because of disease or criminality or because they are persons likely to become a public charge. My investigation indicates the need of tightening the existing law with respect to the security of the United States, as well as the need for more thorough examination of displaced persons applications. Material already developed requires further study and full disclosure of the administration of the present act before intelligent action can be taken on pending legislation. I give you a personal assurance that I am bending every effort to complete my investigation so that I may report at the earliest possible moment.

You Senators may rest assured that there is no immediate need for additional legislation, and that intelligent and prudent action can be taken before the expiration of the existing law. I respectfully request you to obtain unanimous consent for extension of my permission to be absent from the Senate for another 3 weeks, as I must confer with international refugee organization officials in Geneva, Switzerland, and will investigate the displaced persons situation in Austria and Italy. If we pass the House version of the DP bill as it is now before the Judiciary Committee it would be a serious mistake. That is the expression of the DP service here, and of officials of the consular service and the Immigration and Naturalization Service of the United States. I cannot get back in time and conclude my investigation, because it covers such a wide field.

That concludes the statement which has been transmitted from Europe from the distinguished senior Senator from Nevada.

Mr. President, based upon that statement, I respectfully request unanimous consent that his absence from the Senate may be extended for 3 weeks.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. MAYBANK. Mr. President, I did not understand the request.

The VICE PRESIDENT. The request was that the Senator from Nevada be permitted to remain away 3 weeks more.

PUBLIC WORKS ON RIVERS AND HARBORS

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. O'MAHONEY. Earlier today the senior Senator from New Mexico [Mr. CHAVEZ], chairman of the Committee on Public Works, submitted a report on House bill 5472. As that bill was considered by the Committee on Public Works, it contained a provision dealing with the authorization of certain reclamation projects in the Columbia River Basin. The Committee on Interior and Insular Affairs had no opportunity to pass upon those recommended reclamation authorizations. The chairman of the Committee on Public Works was kind enough to call in members of the staff of the Committee on Interior and Insular Affairs with respect to the drafting of the bill in its relation to reclamation projects. One of the members of the Committee on Public Works, the junior Senator from Utah [Mr. WATKINS], raised the question, in the proceedings yesterday in the Committee on Public Works, with respect to these reclamation projects.

I have had a conference with the senior Senator from New Mexico, and I desire the RECORD to show that I understand the understanding between the Public Works Committee and the Committee on Interior and Insular Affairs to be that although the bill as reported does not contain any provision at all with respect to these reclamation authorizations, the Committee on Interior and Insular Affairs is recognized as having the right to offer, as necessary, as part of the report and as a committee amendment, provisions dealing with that authorization. The reason for that, of course, is that the development of the Columbia River Basin is a joint operation by the Army engineers and the Bureau of Reclamation. The report by the Committee on Public Works is, as I understand, not to be considered as excluding the consideration of reclamation authorizations.

I am announcing to members of the Committee on Interior and Insular Affairs that this matter will be laid before the committee at its regular session on Monday next, when the committee, if it so desires, may take action with respect to the reclamation authorization.

I ask the Senator from New Mexico whether I have correctly stated the understanding.

Mr. CHAVEZ. That is correct. The Senator from Wyoming has correctly stated the understanding.

Mr. President, the Committee on Public Works of the Senate wanted to include the items of the Reclamation Service, but it happened that one member of the committee also belonged to the Committee on Interior and Insular Affairs, and he had some doubt whether the latter committee would be willing; so, if they do not mind, it is all right with us.

Mr. O'MAHONEY. It is all right, also, with us.

Mr. MALONE. Mr. President, if the Senator will yield, do I correctly understand that the preview pertains only to the Columbia River Basin?

Mr. O'MAHONEY. That is correct.

Mr. MAGNUSON. It pertains only to reclamation.

Mr. O'MAHONEY. And it pertains only to reclamation. I thank the Senator from Washington.

NOMINATION OF LELAND OLDS

Mr. BYRD. Mr. President, will the Senator yield for an insertion in the RECORD?

Mr. MAGNUSON. I yield.

Mr. BYRD. I do not want to take up the time of the Senate to read a statement, but I ask unanimous consent to insert in the body of the RECORD a statement prepared by the Senator from Virginia with respect to telegrams which have been sent broadcast over the country by Mr. William A. Boyle, Jr., chairman of the Democratic National Committee, respecting the nomination of Mr. Leland Olds. I do it, Mr. President, to express my indignation that there should be attempted a coercion of Members of the Senate through political channels.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, I desire to read to the Senate a telegram sent by Mr. William A. Boyle, Jr., chairman of the Democratic National Committee, to the Honorable G. Fred Switzer, Democratic national committeeman from the State of Virginia:

WASHINGTON, D. C., *October 5.*

Hon. G. FRED SWITZER,
Democratic National Committeeman,
Harrisonburg, Va.:

The effort to block confirmation of Leland Olds to the Federal Power Commission is a straight issue of democratic action to protect the American people against the monopoly-seeking power lobby which wants Olds kept off the Commission because he worked in the public interest during the two terms he has already served on the Commission. Federal Power Commissioner Olds has stood for what the Democratic Party has stood—the best interests of the general public in the

public utility field. Defeat of his nomination would be a defeat for the millions of Americans who are entitled to fair power rates and a victory for the power lobbyists and the Republican Party.

The President has made his views clear to the Congress. He has pointed out that there is only one real issue: How Olds has performed his duty as a public official. The President said Olds "has labored diligently" in the service of all the people and has earnestly sought to protect the public against the narrow interests of special groups." Some Democrats have joined with Republicans in opposition to Olds. We must convince them that rank-and-file Democrats support the President, support Olds. I am asking every member of the Democratic National Committee and every State official of the Democratic Party to make it his personal responsibility to see that the Senators from his State are aware that the people want Olds confirmed and that their Senators' votes reflect this desire.

Every resource of the Democratic National Committee headquarters has been turned to this goal at a special staff meeting held this morning, and I have personally discussed with Senate leaders the importance of this issue to the future of the Democratic Party. The issue is clear-cut. Let us resolve it into a victory for democratic liberalism.

WILLIAM M. BOYLE, Jr.,
Chairman, Democratic National Committee.

I am shocked that the President of the United States would attempt to coerce the Members of the United States Senate in the exercise of their function in the confirmation of an appointment. The right of the Senate to confirm appointments made by the President is one of the checks and balances of our constitutional democracy. The Senate acts as a jury to determine whether an appointment made by the President of the United States is in the public interest. Each Senator should make this decision without outside dictation or attempted coercion or high-powered political pressure.

Mr. Boyle says that every resource of the Democratic National Committee is now being put in operation in order to induce the Senate to confirm Mr. Olds. In the 16 years I have been in the Senate I do not think I have ever seen a more deliberate effort to threaten and coerce the Members of the Senate than that contained in this telegram from Chairman Boyle.

At this time I will not go into the merits of the nomination, but I want to express my strong condemnation of such methods. By implication, at least, Chairman Boyle threatens every Member of the United States Senate with the loss of patronage if the orders given in this telegram are not obeyed. This is true because many, if not most, of the Federal appointments made are routed through the Democratic National Committee. It should be clearly understood that the very astounding action of Chairman Boyle was taken at the direct command of President Truman.

In justification of this effort to apply political pressure on the Senate Mr. Truman said he remembered distinctly when James A. Farley, as Democratic national chairman, in 1937 had "put the heat" on him when he was in the Senate. I, of course, do not know whether Mr. Farley, as chairman of the Democratic National Committee, put the heat on Mr. Truman, but will, of course, accept the President's statement that he did. I will say that Mr. Farley never attempted to put the heat on me during his incumbency as chairman of the Democratic National Committee. Even should he have done so in the case of Mr. Truman, it certainly does not make such a procedure a proper one on the part of the chairman of the Democratic National Committee.

The independence of the United States Senate will largely determine whether we are to maintain our form of government, and Mr. Truman appears to believe that the United States Senate should be an adjunct of his own office, whereby he can issue orders as he pleases and go to the preposterous extent of high-pressuring Senators by the implication, if not by direct action, of depriving Senators of his own party of political patronage unless they obey his instructions. In my opinion, this is a perverse interpretation of the form of government under which we live.

When the nomination of Mr. Leland Olds to be a member of the Federal Power Commission is submitted to the Senate I hope and believe each Senator will vote in accordance with the dictates of his own conscience without intimidation by threats of coercion through patronage denial, or otherwise bludgeoned into action contrary to his conscientious convictions on this or any other nomination.

Practices of this kind lead to a totalitarian government. We have a three-branch government, established with checks and balances, which has given to America the greatest form of democracy the world has ever known, enabling us to progress to a degree never enjoyed by any other nation. It is such action as this that will lead to a dictatorial government and destroy the checks and balances that were established by those wise men who founded our great democracy.

Mr. BYRD. Following the statement, I should like to have inserted in the RECORD an article published in today's New York Times, written by Mr. Arthur Krock, entitled "A Rigid Definition of Party Loyalty."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A RIGID DEFINITION OF PARTY LOYALTY

(By Arthur Krock)

WASHINGTON, October 6.—Section 2 (2) of the Constitution provides that the President has unlimited discretion over whom he shall "nominate" for specified Federal offices, but that the "consent" of the Senate is required before he can "appoint" them. At the White House today Mr. Truman sought to confine this right to deny "consent" to those nominations and legislative proposals only which a President does not certify to be a "party matter."

This extreme position was implicit in his discussion at his press conference of the strong efforts being made at his direction by Chairman Boyle, of the Democratic National Committee, to assure Senate confirmation of Leland Olds, whom the President has nominated for a third term as Federal Power Commissioner. Mr. Boyle telegraphed to national committee members and to the officials of all State Democratic committees, asking them to bring home to their Senators that the "people" want Mr. Olds confirmed. The press conference dialogue with the President follows:

"Question. Is that [the Boyle telegraphic campaign] a new departure in policy? I don't remember the national chairman putting the heat on Senators and Representatives before."

No, said the President; he remembered very distinctly that Jim [James A.] Farley put the heat on him. It was customary and proper and should be done, and Bill Boyle did it with Mr. Truman's instructions.

"Question. Isn't the only difference that Bill Boyle is doing it publicly and it used to be done privately?"

The President said it wasn't done so privately, as he remembered; it was advertised to high heaven to get him to vote against Pat Harrison [the late Senator from Mississippi, when a candidate for Senate majority leadership against Senator ALBEN W. BARKLEY, of Kentucky, now Vice President]. Mr. Truman didn't have anything against Mr. BARKLEY, but he had promised to vote for Harrison, and did so. But the heat was very well put on; that isn't a new thing and should be done in a country with a two-party system of government.

"Question. Isn't that the same as lobbying?"

HE WASN'T TOLD

The President said not necessarily; that you have got to have party discipline to transact the business of Government; that one thing reporters do which isn't right is to point the finger of shame to anybody who is loyal to the party. A man elected on a party platform ought to carry it out.

"Question. Do you plan to discipline Senators who don't vote for Leland Olds?"

The President said he wouldn't answer that one.

"Question. Do you expect them [Senators] to be more in line than you were in the case of Pat Harrison?"

The President said that was a good question, but he was not informed that it [the Barkley-Harrison choice] was a party matter. If he had been so informed he would have voted for Mr. BARKLEY. But that was a Democratic [internal] fight. It was not a party matter at all.

That was the end of today's discussion. But it will not be the end of the subject. For Mr. Truman's position as stated is that, when he informs Democratic Members of Congress that any proposal of his is a party matter, their obligation to the party, and to the maintenance of party discipline, without which the business of Government cannot be transacted, is to agree to his proposal, however they may differ with his interpretation of the party's pledge or his judgment of the qualifications of a nominee. By such fiat previous pledges are canceled, as he was ready to cancel his to Senator Harrison.

DISCIPLINE UNLIMITED

This means in effect that Members of Congress elected on a party ticket should surrender their constitutional right to refuse to consent to a Presidential proposal, whatever their judgment or prior pledges might be, if it comes from a President of their own party and by him is classified as a party matter. He need only do that and resistance of party colleagues in the Senate should end. It clearly was with this interpretation of party obligation in mind that Mr. Truman wrote to the Senate subcommittee that was considering the nomination of Mr. Olds the letter in which he urged that the nomination be approved.

The subcommittee, however, unanimously exercised its privilege and judgment to the contrary, Democrats and Republicans being as one on that. By a vote of 10 to 2 (5 Democrats and 5 Republicans against 2 Democrats) the full committee sustained the subcommittee. After that action, it now appears, the President decided to leave no doubt that the confirmation of Mr. Olds is a party matter and issued his orders to Mr. Boyle on that basis.

Should his interpretation of party obligation prevail, Mr. Truman would effect a discipline which rarely, if ever, has been attained by a political leader under the two-party system, even by Jefferson, Jackson, and F. D. Roosevelt, who exercised great control over Congress. Mr. Truman would get full Democratic support on anything he chose to give the necessary label.

He has seen a dream walking, but it is only a dream.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. MAGNUSON. I decline to yield further, if we are going to get into a controversy over Mr. Olds. I have an amendment pending. It is expected that the Senate will take a recess at 6 o'clock. I have now yielded time to every Senator

who rose for the last 15 minutes. If it is merely for a question, I yield.

Mr. CAPEHART. It is purely for a question which I desire to ask the Senator from Virginia [Mr. BYRD]. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. CAPEHART. Do I correctly understand the chairman of the Democratic National Committee has some time on the radio for talking about the Olds nomination?

Mr. BYRD. I do not know about the radio. The statement the Senator from Virginia made is relative to a telegram, or copy of a telegram, which has been sent to Democratic officials throughout the country, urging that they high-pressure Members of the Senate to vote for confirmation of the nomination of Mr. Olds.

Mr. CAPEHART. Mr. President, does the Senator know that they likewise engaged 15 minutes on the radio?

Mr. MAGNUSON. Mr. President, I decline to yield further.

The VICE PRESIDENT. The Senator from Washington has the floor, and declines to yield further.

STABILIZATION OF PRICES OF AGRICULTURAL COMMODITIES

The Senate resumed the consideration of the bill (H. R. 5345) to amend the Agricultural Adjustment Act of 1933, as amended, and for other purposes.

Mr. MAYBANK. Mr. President, will the Senator yield to me for a parliamentary inquiry?

Mr. MAGNUSON. I yield for that purpose.

Mr. MAYBANK. I understood we were to recess at 6 o'clock. It was so stated. Was there a unanimous-consent agreement to that effect?

The VICE PRESIDENT. No order has been made. It was merely an announcement.

Mr. MAGNUSON. Mr. President, I hope I shall not take more time than the time remaining between now and 6 o'clock, but I am again submitting an amendment which caused a great deal of discussion and controversy when the bill was before the Senate the early part of the week. It relates to section 22 of the present Agricultural Act of 1948. I have somewhat changed the amendment, to simplify it. The original amendment, I agree, was somewhat technical and probably could be interpreted as going a good deal further than my present amendment. If Senators will give me their attention for at least 3 or 4 minutes, I think I can explain the amendment, and why I think it should be agreed to.

As many Senators know, particularly those on the Committee on Agriculture and Forestry and those interested in agricultural problems, the Agricultural Act of 1948 contained a provision known as section 22, which in effect provides that whenever the President has reason to believe that any article or articles are being, or are practically certain to be, imported into the United States under such conditions and in such quantities as to render or tend to render ineffective or materially interfere with any program or operation undertaken under this title, or the Soil Conservation Act, or the Domestic Allotment Act, as amended, the President shall then do certain things. I shall not read the whole section, but in part it provides that the President shall make an investigation of so-called imports or threatened imports which might interfere with either a price-support program or an allotment program with respect to any agricultural product in short supply, and provision is made for a public hearing at which all interested parties are asked to appear. If, on the basis of such investigation, the President finds there is such a probable interference, the act then gives him authority to limit temporarily import fees, up to not more than 50 percent of the total quantity of the article or articles being imported. In effect it is 50 percent ad valorem. The act then goes on to prescribe methods by which the President may do this, and it says, after he has completed the investigation, in consultation with the Tariff Commission and with the Secretary of Agriculture, any decision the President shall make as to the facts under this section shall be final.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I am glad to yield.

Mr. KNOWLAND. I merely wish to say I do not know whether the able Senator from Washington has noticed on the United Press ticker today that the State Department was announcing, at a 5 o'clock press conference, the results of the Annecy trade agreements. I ask that the announcement be printed in the RECORD at this point.

There being no objection, the announcement was ordered to be printed in the RECORD, as follows:

The State Department announced that there will be available at its press room, room 2110, State Department, at 5 p. m., a brief, general release on the result of the Annecy, France, trade conference.

The release is for publication at 7:30 p. m., eastern standard time, Sunday, October 9.

John Evans, Chief of the International Resources Division of the State Department and a member of the United States delegation at Annecy; Walter Hollis, also a member of the delegation; and W. T. M. Beale, Associate Chief of the Commercial Policy Division, will be present to provide background information.

The Department hopes to be able to provide detailed information on tariff rates and products affected on Monday.

Mr. KNOWLAND. I also ask that another ticker item regarding a release or statement by the Senator from Arizona [Mr. HAYDEN] may be printed in the RECORD at this point in my remarks.

There being no objection, the item was ordered to be printed in the RECORD, as follows:

Senator CARL HAYDEN, Democrat, of Arizona, expressed concern to President Truman over a possible tariff change under the reciprocal trade law which would affect Arizona lemons.

HAYDEN told reporters he fears a tariff reduction now under discussion would allow the entry of lemons from southern Europe which would come at a time when there is a surplus for American markets of United States lemons.

Mr. KNOWLAND. I merely say to the Senator from Washington I expect to vote for his amendment, but it rather reminds me of a situation wherein certain parts of American agriculture have had their jugular vein cut, and now the Senator is trying to apply a band-aid to repair the damage.

Mr. MAGNUSON. That may or may not be true, but surely certain segments of American agriculture have been so seriously threatened as to justify some action being taken under the authority given the President.

To continue, Mr. President, section 22 of the Agricultural Act provides that no proclamation under the section shall be enforced in contravention of any treaty or other international agreement to which the United States is or hereafter becomes a party.

Such a Presidential proclamation might relate to Arizona lemons or anything else.

All my amendment does, Mr. President, is to change that language to read:

No international agreement hereafter shall be entered into by the United States, renewed, or extended, beyond its permissive termination date in contravention of this section.

In other words, we have said in the Agricultural Act that there should be a medium of protection for agricultural products which either come under an allotment plan or a price-support plan or both, because they are in a different position than are ordinary commodities. That is put into a congressional mandate, and the section goes on to provide that no action shall be taken if it is in contravention of the treaty.

Paragraph (f), in effect, nullifies section 22.

It is my considered opinion that either we should repeal section 22 or adopt the amendment, which would provide, in effect, that no treaty shall be entered into in contravention of the law of the land, which says that the President, in certain emergency situations, can do certain things. His authority is somewhat limited, but in many cases immediate action is required. It is not in contravention of trade agreements, not in violation of the reciprocal trade theory, but is only an authority vested in the President to give temporary relief to agricultural products which are now controlled either by allotments, price supports, or both. Without this authority we might have a price-support program which would be completely nullified by a trade agreement which might have been entered into in contravention of section 22, and the State Department would say that the treaty becomes the law of the land and that the Agricultural Act would be nullified.

My amendment is very simple. Paragraph (f), as it now reads, provides that a treaty can be entered into in violation of section 22, but my amendment says, in effect, that no treaty shall be made in the future in violation of the law of the land.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON].

Mr. WHERRY and other Senators asked for the yeas and nays.

Mr. FULBRIGHT. Mr. President, we debated this amendment on last Tuesday at great length. The amendment was defeated by a vote of 35 to 37. The amendment, if it means anything at all, means exactly and precisely what the other amendment meant. It is simply a rephrasing in a way which makes it extremely difficult to put one's finger on exactly what it does mean. If it has any objective, it is to reserve the unconditional right to impose a quota or to change the fees—the Senator calls them fees rather than tariffs—at any time.

I confess that it is extremely difficult to understand the language of the amendment, but when we examine the language of section 22 we find it simply means that if, after the President has requested the Tariff Commission to find whether any damage is being done, and he accepts the finding, he can either raise the tariff up to 50 percent ad valorem, or he can impose quotas. I think the practical effect would be that we could not make any further reciprocal trade agreements.

If we are against the reciprocal trade program, we should vote for this amendment. If we are in favor of the peril-point amendment on which we voted a few days ago, we should be for this amendment. That was very clearly brought out in the discussion a few days ago. The Senator from Indiana [Mr. CAPEHART] and other Senators recognized that fact particularly, and so stated, and we had a clear-cut vote on the issue. Now the Senator from Washington brings back the amendment in a more or less disguised form. If it means anything at all, as I say, it means the same thing as did the previous amendment. It would require the termination of any agreement which is in contravention of section 22. What "contravention of section 22" means is not entirely clear.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question.

Mr. MAGNUSON. This amendment has nothing to do with present agreements. If the Senator will read it he will find that it says "any agreement hereafter made."

Mr. FULBRIGHT. The Senator knows that all those agreements terminate from time to time. I think the general agreement expires next year or the following year and will have to be renegotiated and extended. It is a question of a very short time until all of them periodically fall due, so to speak. They are not of a permanent nature. They have to be extended. Six months' notice of an intention not to extend is required, but there are extensions in practically every case.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question.

Mr. CHAVEZ. There was before the Committee on Finance yesterday Senate bill 501, which is more or less identical with the amendment offered by the Senator from Washington. There is no particular reason, when we are considering a particular piece of legislation, why it should not be considered in the proper way. Senate bill 501 has for its purpose getting away from what we have done, along the lines submitted in the amendment, in connection with a sugar bill; in other words, trying to force, by legislative action, morals in connection with a sugar bill. The bill was reported yesterday by the Committee on Finance, of which the Senator from Georgia [Mr. GEORGE], is the chairman. It seems to me the Senator from Arkansas is on the right ground, irrespective of the merits that might be involved in the amendment offered by the Senator from Washington. But it does not belong in this bill. It might belong somewhere else, but not in this bill.

Mr. FULBRIGHT. I will say to the Senator that in the discussion on Tuesday one of the principal points I made was that even though I might misunderstand the implications of it, it should not be brought in and fastened more or less casually to this bill without having gone to the Committee on Finance and having received a complete study. That is my principal objection to it.

Mr. CHAVEZ. The Senator is correct. Two years ago the Committee on Finance reported a bill having to do with sugar, and section 202 (e) got into the bill, which had nothing to do with either cane sugar or beet sugar. It had to do, more or less, with what the Senator from Washington now has in mind—to "make them be good."

I hope the argument being made by the Senator from Arkansas will prevail.

Mr. FULBRIGHT. I thank the Senator.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield to the senior Senator from Georgia.

Mr. GEORGE. Mr. President, I merely wish to call attention to the fact that this amendment provides that "no international agreement hereafter shall be entered into by the United States or renewed or extended or allowed to extend beyond its permissive termination date in contravention of this section"—a section which was inserted as an appropriate remedy in the hands of the President of the United States. This whole effort is to apply section 22 as against ourselves when we, through farm legislation, undertake to support prices or fix quotas.

I call attention to the fact also that this provision, if inserted in the bill, would require the renegotiation of the quota provisions of the general GATT, as it is called.

Mr. FULBRIGHT. The Geneva agreement.

Mr. GEORGE. The general trade agreement entered into at Geneva. I also call attention to the fact that nearly all our trade agreements have either expired or could now be terminated, so that practically this amendment calls for a complete renegotiation of all the existing trade agreements.

Mr. FULBRIGHT. Even if there is some question about our interpretation of the amendment because it is general language, it certainly should be considered most seriously by the Senator's Committee on Finance before it is adopted by the Senate. I think that is obvious.

Mr. MAGNUSON. I wonder if the Senator would permit me to ask the Senator from Georgia a question?

Mr. FULBRIGHT. I yield.

Mr. MAGNUSON. The Senator's statement may or may not be accurate, but I will ask the Senator if he thinks we should adopt section 22 and have a provision in it which says that we can make a treaty in violation of it.

Mr. GEORGE. That section was intended to protect us against adverse action of another country. Here we are undertaking to write our own laws, and the Senator undertakes to apply section 22 to action taken by ourselves. It could be done.

Mr. MAGNUSON. It is the law.

Mr. GEORGE. It is the law. We could now invoke it, and it has been invoked by the President against other countries which imposed unfair quotas or restrictions on our products.

Mr. MAGNUSON. Should we not repeal section 22? If we allow the State Department to make treaties in contravention of section 22, what is the sense of having it?

Mr. GEORGE. I do not think we should repeal section 22, because it is a protective measure against adverse actions of hostile foreign countries.

Mr. FULBRIGHT. Taking into consideration the escape clauses which are contained in all the treaties now being negotiated, and those negotiated in the recent past, and the clause which provides that when any of our products are under acreage control we have a right to impose quota restrictions on imports, between those two, does not the distinguished Senator from Georgia think that there is an added protection in the situation which the Senator from Washington is seeking to reach?

Mr. GEORGE. I might say I do think that, but at the same time I recognize the validity and effectiveness of the escape clause as a highly controversial question and issue, which I do not believe is necessarily properly involved in connection with what we are discussing. I think undoubtedly we made a strong fight at Geneva to preserve the right to impose quotas, under certain conditions, and now to require us to renegotiate that agreement would probably be tantamount to the abandonment of most of that general agreement.

Mr. KEFAUVER. Mr. President, will the Senator from Arkansas yield to me?

Mr. FULBRIGHT. I yield to the Senator from Tennessee.

Mr. KEFAUVER. Does not the Senator feel that if this amendment should be agreed to it would be very difficult to renegotiate or extend many of the trade agreements we now have in effect?

Mr. FULBRIGHT. I certainly do. I think it would be extremely difficult, just as difficult as it would have been if we had adopted the amendment proposed a few days ago, and that was my principal point.

Mr. KEFAUVER. I believe the Senator from Washington says this amend-

ment means substantially the same thing as the one he offered the other day, which was voted down by the Senate.

Mr. FULBRIGHT. That is correct.

Mr. MAGNUSON. Mr. President, there is a great deal of difference.

Mr. KEFAUVER. The Senator said the ambiguity was taken out.

Mr. MAGNUSON. I did not interpret the amendment the other day to mean it would affect any trade agreement now in existence. I intended it to refer to any agreement entered into in the future. All the pending amendment tends to do is to say that we shall not enter into any agreement with any other country in contravention of the law of the land, and section 22 is the law of the land. That is all it says. If the Senator from Arkansas is going to suggest that we write sections in agricultural laws such as section 22, and in the same breath say they do not mean anything, and that we can negotiate with another country in contravention of the law of the land, I think we should either repeal one declaration or repeal the other.

Mr. FULBRIGHT. The Senator from Georgia made very clear the usefulness and intention of that section, and it is not at all in accordance with what the Senator from Washington has said.

Mr. KEFAUVER. I think it is impossible for any nation with whom we are negotiating to know with any degree of certainty what kind of a trade they would be getting in connection with agriculture, because conditions might arise which would make it mandatory for the President to put on some kind of limitations or fees.

Mr. MAGNUSON. They know that when the agreement is negotiated. It is a part of the agreement.

Mr. FULBRIGHT. When we look at the language of section 22, whose operation is merely on contingency, then when we consider what would be the position of our Government negotiating an agreement, realizing they could not possibly foresee whether or not a contingency were going to arise, it comes to exactly the same thing as that embodied in the other amendment of the Senator from Washington, it is keeping from ourselves the unconditional right of voting unilaterally any quota we desire.

Mr. KEFAUVER. In view of the fact that the Committee on Finance has had very extended hearings over a period of 15 or 16 years on this subject, and in view of the fact that the ramifications of what might happen are so uncertain and perhaps drastic, does not the Senator feel that we should have extended hearings on this matter before anything is done?

Mr. FULBRIGHT. That was the principal argument I made the other day, that it would seem to me a very rash and a very unwarranted thing for us to pass upon this kind of an amendment under the circumstances which exist at the present time. We are approaching the end of the pending bill, we voted on the subject once, and many Senators, I know, feel that it was disposed of. Its implications, I am frank to say, are not entirely clear. Right at this time the Senator from Washington says it does not mean what I say it means, and what the Senator from Georgia declares it to mean. That alone should be sufficient to justify our deciding that it should go to a committee, perhaps be submitted to the Committee on Finance, and if it has merit—and I do not say that it has not—it ought to be brought forward in the regular way, because essentially it is a matter which has an impact upon our foreign-trade program, a program in which the agriculture of this country has a very great interest. We cannot brush it aside as something that is involved in section 22. It goes far beyond what was contemplated in section 22.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for another question, but I do not want to drag the debate out long.

Mr. MAGNUSON. The Senator questions the propriety of the amendment going on the pending bill.

Mr. FULBRIGHT. Not having been considered by the committee. I think the Senator stated the other day that this amendment was brought in after the bill came to the floor, and was not considered by the Committee on Agriculture and Forestry.

Mr. MAGNUSON. This matter was considered by the committee, because section (f) as it now reads necessarily required consideration.

Mr. FULBRIGHT. No; I mean the Senator's amendment was not considered.

Mr. MAGNUSON. I ask the Senator whether or not he believes that under the Senate rules, if we amend an agricultural bill by inserting a section which states one thing, and we amend it the other way, it can properly be referred to the Finance Committee. This is an agricultural bill. What I am amending is in that bill.

Mr. FULBRIGHT. The Senator knows very well that the objection is to the effect of it upon our reciprocal trade program, which we recently passed in the Senate after a very severe fight.

Mr. President, I asked for a memorandum from Mr. Winthrop Brown, of the State Department, who is the man in charge of the negotiation of trade treaties, because I was puzzled by this rephrasing. The language is very obscure as to its meaning. I wish to read the memorandum presenting the view of Mr. Brown as to the effect of the language:

> It would require the termination of any agreement that was in contravention of section 22. What "in contravention of" means is not entirely clear when one reads the broad and varied language of section 22 with all the findings in its provision and the proviso which it contains, but the amendment could, and is undoubtedly intended to mean, that any agreement which in any way limited the absolute right under section 22 to impose quotas would be "in contravention of," the section. If so, it is subject to the same objections as the previous amendment and would require renegotiations and possible loss of the general agreement on tariffs and trade.

That is the general agreement referred to by the Senator from Georgia. Mr. Brown continued:

> It would be a major tragedy and major blow to our foreign policy to lose the general agreement. This represents years of international negotiations. It is the most important step ever taken toward world tariff reductions. Its provisions allow extensive and fair use of section 22. To break this agreement down by United States action would be a rude blow to United States prestige and disheartening to all who are looking to the United States for leadership.

That is the end of the memorandum.

He certainly thinks it is a very considerable change in our policy in this field. I think the least one can admit is that it has possibilities of a complete reversal of what we did a few weeks ago in adopting and extending the reciprocal trade program. If we want to do it, it may be all right, but it certainly should not be done without hearings in the committee, and a report made by the committee. To do it on the floor would in my opinion be a very serious mistake.

Mr. MAGNUSON. Mr. President, any attempt on the part of the State Department or anybody else to say that this amendment is confusing would make it appear that someone cannot read English. All the amendment provides is that the State Department shall not in the future enter into an agreement in contravention of the existing law of the land. If there is anything wrong with that, then we had better quit writing laws. If the State Department is still in the twilight zone—as it is most of the time—about many of these things, then those in the Department cannot read the English language.

The amendment has nothing whatsoever to do with reciprocal trade agreements which exist. Either the farmers and the agricultural interests of the country are entitled to the protection of section 22, not only in the law of the land but in treaties that are going to be entered into in the future, or they are not. Either repeal section 22 or say to the State Department, "When you are making treaties you have to pay attention to the law of the land." If there is anything that can be more simple than that I do not know what it is. But I think it is hard for the State Department to understand simple things. Things have to be made complicated for them to understand them.

I yield the floor. I simply wanted to leave that thought with the Senate until Monday.

Mr. MYERS. Mr. President, it was announced earlier in the day that the Senate would recess by 6 o'clock. I believe the Senator from Oklahoma desires to offer an amendment, and after he has offered his amendment, I shall move that the Senate take a recess until 12 o'clock noon on Monday.

Mr. THOMAS of Oklahoma. Mr. President, I offer an amendment, which I ask unanimous consent to have printed in the RECORD, to be printed, and to lie on the table.

There being no objection, the amendment was received, ordered to lie on the

table, and to be printed in the RECORD, as follows:

On page 26, at the end of line 5, strike out the period, insert a semicolon and the following: *"Provided,* That the Secretary of Agriculture is authorized within his discretion to make available, under rules and regulations to be made and announced, any of such surplus commodities to the Cooperative for American Remittances to Europe, Inc. (CARE), for relief in Europe and Asia: *And provided further,* That upon application of the Munitions Board or any other Federal agency for any part of the accumulated supplies on hand at any time for use in making payment for commodities not produced in the United States the Secretary of Agriculture may approve such application or applications and thereafter make such commodities available on such terms, rules, and regulations as may be deemed in the public interest."

Mr. THOMAS of Oklahoma. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter received by me today from the Secretary of Agriculture.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, October 7, 1949.

Hon. ELMER THOMAS,
Chairman, Senate Committee on Agriculture and Forestry.

DEAR SENATOR THOMAS: From a study of the CONGRESSIONAL RECORD of the Senate proceedings these past few days with respect to agricultural legislation, I have the reaction that there are several areas of misunderstanding, the clarification of which might be helpful to further deliberations.

One of these involves the term "flexibility" as applied to price-support programs. As this term was originally used in this connection, it clearly referred to latitude or elasticity in the means, methods, or devices for providing price support to protect farm income and for assisting farmers to make necessary adjustments in production.

Nevertheless, "flexibility" has been used during the recent debate to apply almost exclusively to several tables which vary the support price of commodities in relationship to the volume of their production. The tables in title II of the act of 1948 indicate that the price of basic commodities and some others should be allowed to fall as low as 60 percent of parity as the volume of supply of that commodity increased. The tables in S. 2522, now before the Senate, contract the range of price fluctuation in relationship to volume by raising the lower level to 75 percent of parity for approximately the same commodities.

This sliding scale of price support, tied exclusively to volume of production, appears now to be held out as the sole meaning of "flexibility" and as an effective device for aiding farmers to make the necessary production adjustments.

I respectfully point out that this is a narrow and misleading definition and use of the term "flexibility." In fact, in these tables of price-volume relationship there is a very high degree of rigidity.

The Department of Agriculture has many times indicated its understanding of the comprehensive meaning of the term "flexibility." For example, in testifying before a congressional committee in 1944, the then Secretary of Agriculture, Claude R. Wickard, stated the need for administrative flexibility in carrying out price-support commitments.

In 1945 the then Secretary of Agriculture, CLINTON P. ANDERSON, stated the need for flexibility in a broad, comprehensive sense. The following is an example:

"Price-support programs must be carried out in full. They must be regarded as the pledge of a firm commitment on the part of the Government. The important thing is that they be carried out. The thing to do is to maintain the level of prices the Government has pledged. The manner of doing so should be flexible so long as the promise is fulfilled."

A further example comes from the files of 1946 when Secretary ANDERSON stated:

"The Government is going to make good on its price-support commitments to farmers. But there are dangers that we may as well recognize. Inflexible price supports may tend to hold agriculture to its wartime pattern of production instead of encouraging it to make the necessary shifts to fit a peacetime-demand pattern. Just for example it looks as if support prices for eggs will encourage farmers to produce more eggs than the market requires. On the other hand, support prices of 90 percent of parity on dairy products would not bring anywhere near the required volume. In fact, demand for dairy products is far from satisfied now with prices far above the support level and with subsidies still being paid. We need to combine with the parity concept a more flexible means of carrying out our price-support commitments if we are to avoid the creation of surpluses and deficits, side by side, and if we are to keep ourselves in position to trade with the rest of world."

In 1947, Carl C. Farrington, who was then Assistant Administrator of the Production and Marketing Administration, in testifying for the Department also indicated a broad conception of the term "flexibility":

"First, a high degree of flexibility, both as to support levels and methods is essential in view of differences between commodities and constantly changing conditions that cannot be foreseen."

I have consistently used the term "flexible" in the broad sense which I have always understood it to have. I stated, for example:

"Legislation that was encouraged before the war was modified and made flexible enough during the war to obtain from the land the products we needed for the war.

"Legislation must be flexible enough to guard against not only a violent drop in prices but be geared to our improved farm economy. It must meet the impact of shifts in our export and domestic demands and stand ready to aid in bringing about needed adjustments in production, distribution, and consumption."

All this clearly indicates that the Department has long been using the term "flexibility" in the broad connotation of latitude and breadth of range in the methods, means, and devices for assisting farmers to deal with their production problems; not by price alone but by a number of administrative devices.

I am very much afraid that the misuse of this term has already led and may continue to lead to some erroneous conclusions. Therefore, I take the liberty of refreshing your memory as to the position the Department has taken with respect to this general subject.

The various sliding-scale tables to which the definition of flexibility is now being confined are based upon the theory that volume of production of agricultural commodities may be controlled and decreases achieved by reduction in price. I most respectfully point out that this is entirely wrong. The history of agriculture gives no one the right to believe that general decreases in price effect a general decrease of agricultural production.

I call your attention to the fact that the United States farm price of wheat dropped from $1.04 in 1929 to 38 cents per bushel in 1932; the acreage in 1930 was 67,600,000 acres while the acreage in 1933 was 69,000,000. From 1929 to 1932 prices for potatoes fell from $1.32 to 38 cents per bushel, while acreage rose from 3,100,000 to 3,500,000 acres. You will find about the same things for other crops and also that farmers change their total acreage of crops even less than they change the acreage of individual crops in response to price declines.

And if prices are an unreliable mechanism for adjusting acreage, we all know that they are a far less reliable mechanism for adjusting production. The reason for this is, of course, simple. Farmers must use their resources as best they can, and natural economic forces push them to maintain full production. As a final example, take flaxseed. Well in advance of the planting season we reduced the support price to about $4 per bushel, compared with $6 the preceding year. We had 4,700,000 acres for harvest in 1948; we have 4,700,000 acres for 1949.

I believe it must be said that only when prices of agricultural commodities have fallen so low and stayed down so long as to practically break American farmers or cause them to deplete the productivity of their lands, does a reduction in price actually result in substantially reduced volume of production.

Another area of misunderstanding that I would like to clarify concerns a statement by me which was read into the record during the debate on S. 2522. My opinion was sought as to the effect of continuing 90-percent price supports without doing anything else. My answer was as follows:

"If they do, all I can say is that the year after this we will have an awfully drastic program of some kind. We will have powers vested in the Secretary of Agriculture, whoever he may be, that go way beyond anything used so far. Another year of big production, with the present program continued, would show so much money involved in farm programs that I do not think any taxpayer could stand it."

The quotation is correct, but it appears to have been used for the purpose of creating the impression that I oppose fair and adequate levels of price support, even though quotas and allotments are available to the producers and used by them to bring supply in line with demand.

This conclusion is not warranted and does not reflect my views. The question answered by the above was raised in connection with continuation of 90 percent of parity price supports for all of the basic and Steagall commodities then proposed to be continued by the so-called Gore bill. The commodities included in the Gore bill, in addition to the basics, are milk, flaxseed, soybeans, eggs, potatoes, hogs, chickens, turkeys, and several other perishable commodities. The Gore bill, like the legislation now in force, provides no means or instruments to farmers with which they can bring their production of other than the basics in line with demand. Therefore, I pointed out that without doing anything else, such as providing authority for allotments or quotas, or a device for moving large volumes of food, the Government would be faced with the possibility of taking over huge unmanageable stocks of perishable commodities, with the result that the cost of our price-support programs and the amounts of money involved in price-support operations could be excessively high.

I should also like to point out that the difference between the amount of funds required to support the price of a given commodity at 90 percent of parity and at 75 percent of parity is reasonably small in terms of the over-all costs or funds involved in the price-support operation, and especially so when benefits or returns to farmers are also considered.

For example, had the wheat support price been set at 75 percent of parity it seems reasonable to assume that, in view of the early crop prospects and the way the economic

situation developed, wheat farmers would have received only the loan level (75 percent of parity instead of 90 percent) for most of their crop. A difference of 15 percent of the parity price for wheat at the time the loan was established would have amounted to 33 cents a bushel—a discount that might well have been applied to almost all commercial sales from this year's estimated wheat harvest of 1,129,000,000 bushels. Actually, however, it appears that domestic and foreign demand for wheat at current prices would just about account for this year's entire harvest, so that the net cost of the 90-percent support price to Commodity Credit Corporation, when the season's account is settled, would not amount to much more than the clerical and administrative costs of making loans available. The only other costs of any size would be those of implementing the International Wheat Agreement. The main result of a lower support price for wheat this year would probably have been simply a smaller return for wheat farmers.

This brings up one important fact: In considering the costs, we should very clearly understand the difference between the volume of credits which the Commodity Credit Corporation may have to extend at some time during the crop season and the eventual actual cost or loss to the CCC.

In closing, let me take this occasion to point out once more that the question of level of support for basic, storable commodities is a very small part of the entire farm price and income problem. The major part of the current problem, in my opinion, is the provision of adequate support for the principal sources of farm income—namely, meat animals, milk, poultry, eggs, and some fruits and vegetables—and how to deal with the surpluses that are daily accumulating. I hope that when it is decided whether the legal minimum for basic commodities is to be 75 or 90 percent of parity, these larger questions may also be settled.

I again wish to assure you and the Congress that whatever the form of the legislation finally provided we in the Department of Agriculture will do our best to make it work successfully.

Sincerely,

CHARLES F. BRANNAN,
Secretary.

Mr. HUNT. Mr. President, I submit an amendment which I ask to have printed and lie on the table.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table.

MUZZLING OF NEWS CORRESPONDENTS AT SHANGHAI

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have inserted in the body of the RECORD as a part of my remarks the text of the State Department's note criticizing the Chinese Communists for muzzling news correspondents at Shanghai.

There being no objection, the note was ordered to be printed in the RECORD, as follows:

The Department has been informed that the Aliens' Affairs Bureau has handed foreign press correspondents in Shanghai the following order of the Shanghai Military Control Commission, date October 6:

"Effective from the date of issue of this order, all correspondents in Shanghai, irrespective of whether they are Chinese or foreign, for foreign newspapers and periodicals, news agencies and broadcasting agencies, whose country has not established diplomatic relations with the Chinese People's Republic, are to cease acting in their capacity as press men, including the filing of press telegrams and radiomyzms."

The effect of this order is to blot out completely objective reporting of developments in the Communist-occupied territory of China. The order is not based on military security or censorship, but solely on the ground of nonrecognition of the newly announced Communist regime.

It is evident that this order constitutes a crude effort on the part of the Chinese Communists to force recognition of their newly established regime by those countries which continue to have, on the basis of the record of the Chinese Communists to date, wholly justifiable doubts regarding the responsible nature of the regime according to generally accepted international standards.

Further examples of the flagrant disregard of these standards have been the confinement of members of the staff of the United States consulate general at Mukden to their compounds for almost a year; denial of facilities for the withdrawal of the personnel of the consulate in contravention of assurances given as long ago as June 21 that they would be made available; and assent in if not instigation by Communist authorities at Shanghai of mob action against American businessmen in that city.

Far from constituting pressure toward recognition, such act contravening recognized standards of conduct merely reflect discreditably upon the character of the Chinese Communist regime.

RECESS TO MONDAY

Mr. WHERRY. Mr. President, was it the intention to recess before a vote is taken on the amendment offered by the Senator from Washington [Mr. MAGNUSON]?

Mr. MYERS. Mr. President, several Senators have informed me they desire to address themselves to the amendment. They came to me from both sides of the aisle from a quarter of 6 on, and I told them that if we could not secure a vote by 6 o'clock it was the intention to recess until Monday.

I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 16 minutes p. m.) the Senate took a recess until Monday, October 10, 1949, at 12 o'clock meridian.

NOMINATION

Executive nomination received October 7 (legislative day of September 3), 1949:

DIRECTOR OF FOREIGN MILITARY ASSISTANCE

James Bruce, of Maryland, to be Director of Foreign Military Assistance.

SENATE

MONDAY, OCTOBER 10, 1949

(Legislative day of Saturday, September 3, 1949)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, we thank Thee that Thou hast set eternity in our hearts. An empty seat in this Chamber speaks to us this morning of the solemn truth that in the midst of life we are in death. Our hearts are saddened by the sudden passing of a highly trusted and respected colleague and of a great-souled public servant. Upon his dear ones we pray for the consolations of Thy sustaining grace.

"A friend has passed
Across the bay
So wide and vast,
And put away
The mortal form
That held his breath;
But through the storm
That men call death,
Erect and straight,
Unstained by years,
At heaven's gate
A man appears."

Keeping to the end of our brief day the unbroken vigil of the inner light, enable us to fill swift hours with worthy deeds, to bear the fret of care, the sting of criticism, the drudgery of unapplauded toil; and then when our hour of departing comes, to leave the world the better for our sojourn in it. Amen.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (H. R. 3838) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1950, and for other purposes, and it was signed by the Vice President.

DEATH OF SENATOR MILLER, OF IDAHO

Mr. TAYLOR. Mr. President, since last we met in this hallowed Chamber, my colleague, Senator MILLER, has found surcease from a long and painful struggle against a combination of mortal ills which finally caused his untimely death.

His spirit is now residing in the house of the infinite and merciful Father, where pain and suffering are no more.

His reward in the hereafter should be generous, because his life on earth was a shining example of unselfish devotion to the welfare of his fellow men.

He served the people of his State in many important positions over a long period of years.

Senator MILLER had few if any real enemies, and he enjoyed the friendship and good will of countless thousands of citizens of our State whom he knew personally.

In spite of the fact that he served for several years on the supreme court of our State, and then was elevated to the high office of United States Senator, the common people of Idaho continued to call him Bert. It is a credit to any man, in my opinion, Mr. President, when he so endears himself to his fellows that they continue to affectionately call him by his first name regardless of the high-sounding titles he may acquire.

I know, Mr. President, that every Senator joins in the grief of Senator MILLER'S host of friends, and I know that I speak for all the people of Idaho and the Members of this body in extending our deepest sympathy to the grief-stricken widow and the family of our departed friend and colleague.

Mr. President, I submit a resolution, which I ask to have read.